Chapter

4

INDOT 2030 Long Range Plan

Multimodal Coordination

Overview

Although this plan focuses primarily on highways, mulitmodal considerations are a basic component of all corridor studies. In urban areas represented by an MPO, INDOT relies upon the cooperative and comprehensive planning process to evaluate multimodal considerations. For major inter-city corridors, the INDOT study process considers multimodal transportation issues in cooperation with our Division of Multimodal Transportation.

The 1995 Multimodal plan covered all transportation modes, and this chapter provides a brief update of changes in transportation modes completed since 1995. Summaries of various planning studies found below provide an update to the multimodal component of the 1995 plan.

Intermodal Management System

In 1995, INDOT began work on an Intermodal Management System which identified improvement strategies for the efficient transfer of goods and services between the more traditional single modes of transportation. The development of a management system was initiated by the 1991 Intermodal Surface Transportation Efficiency Act (ISTEA) requirement for six statewide management systems. The intermodal management system was intended to provide a better understanding of the integration between modes of transportation and address the recent advances in market-based intermodal transportation services in reducing the cost of transportation services. In order to increase INDOT's understanding of the movement of passengers, goods and services, two advisory committees were established to provide policy guidance to the intermodal study. The freight subcommittee represented a wide range of transportation providers including railroad, trucking, maritime ports, pipeline, and air freight representatives in addition to specific commodity interests such as Indiana Farm Bureau, the United States Postal Service, the Petroleum Council and the coal industry. The passenger transportation subcommittee had representatives of passenger railroads, including high-speed rail interests, commuter rail, transit representatives, the AAA Hoosier Motor Club, and airline service providers. The advisory committees provided for the establishment of performance measures, the identification of intermodal deficiencies, and the development of improvement strategies and actions.

Intermodal Facilities

The Intermodal Management System (IMS) developed improvement strategies to address the highest ranking intermodal deficiencies. A major focus of the IMS was to improve the connectivity between the

major intermodal facilities (airports, inter-city bus and passenger rail stations, commuter rail terminals, rail/truck transfer yards, port facilities and container freight transfer terminals) and the officially designated National Highway System. Two categories of intermodal facilities were identified, the facilities of National significance for inclusion into the national transportation system, and facilities of statewide significance for statewide planning purposes. The placement of an intermodal facility into each category is based upon criteria including passenger volume, airplane passenger enplanements, truck traffic volumes, and freight volumes (tonnage or twenty foot equivalent units).

Figure 4-1

Intermodal Facilities of National Significance

Facility Type	Facility Name
Airport (Passenger and Freight)	Indianapolis International
Airport (Passenger)	South Bend Michiana Regional
Airport (Passenger and Freight)	Fort Wayne International
Airport (Passenger)	Evansville Regional
Airport (Passenger)	Gary/Chicago International
Inter-city Bus	Tri-State Coach
NICTD Commuter Rail Station	Hammond
NICTD Commuter Rail Station	East Chicago
NICTD Commuter Rail Station	Gary Metro
NICTD Commuter Rail Station	Dune Park
Rail / Truck Intermodal	Indianapolis Avon Yard
Rail / Truck Intermodal	Fort Wayne Triple Crown
Ports	Burns International Harbor
Ports	Southwind Maritime Centre
Ports	Clark Maritime Centre
Ports	USX Steel

Figure 4-2

Intermodal Facilities of Statewide Significance

Facility Type	Facility Name
Airport (Passenger)	Purdue University, West Lafayette
Airport (Passenger)	Clark County
Airport (Passenger)	Eagle Creek Airpark
Airport (Passenger)	Elkhart Municipal
Airport (Passenger)	Monroe County
Airport (Passenger)	Anderson Municipal
Airport (Passenger)	Kokomo Municipal
Amtrak Station	Indianapolis
Amtrak Station	Hammond
Amtrak Station	South Bend
Amtrak Station	Elkhart
Amtrak Station	Waterloo
Amtrak Station	Lafayette
Amtrak Station	Garrett
Inter-city Bus Station	Indianapolis—Union Station
NICTD Commuter Rail Station	South Bend
Park N Ride	Indiana University—Bloomington
Ports	Inland Steel
Ports	LTV Steel
Ports	Newburgh Mulzer Stone
Rail / Truck Intermodal	Roanoke General Motors Facility
Rail / Truck Intermodal	Evansville CSX
Rail / Truck Intermodal	Hoosier Lift—Remington

Aviation

Indiana is served by a well-developed aviation system. The system has been continuously developed over the years using federal, state and local resources. Each airport serves an important role and interacts with the other facilities in measurable ways. The system provides access for business, tourism and recreation. The following section describes Indiana's existing aviation system.

Facilities: Indiana's existing aviation infrastructure includes over 110 public-use airports and close to 600 private-use facilities. Of the public use facilities, 69 are identified in the Indiana State Aviation System Plan (ISASP) as being of "statewide importance." (See Exhibit 1) Approximately three-fourths of all Indiana's aircraft are based at "System Plan" facilities. Of the facilities in the ISASP, 66 are also in the FAA's National Plan of Integrated Airport Systems (NPIAS). An airport's inclusion in both the ISASP and the NPIAS means that the facility is eligible for both FAA and State development funding.

Table 1. Indiana Aviation Activity

Activity	Based Airccraft	Aircraft Operations	Air carrier Enplanements
1990	4,150	2,458,872	3,831,272
1995	4,161	2,377,833	4,159,572
2000	4,599	2,307,841	4,941,812
2005	4,101	2,376,268	5,600,059
2010	4,198	2,440,796	6,346,245
2015	4,293	2,493,424	7,044,067

Indiana Pilots 2004	
Total	10,520
Students	1,392
Private	5,278
Commercial	2,197
Airline Transport	1,643
Recreational	10

Sources: Indiana State Aviation System Plan
FAA Terminal Area Forecasts
Pilot database at www.landings.com

At present, Indiana has five airports that are classified as primary airports, or airports which enplane over 10,000 passengers per year. They are as follows: Evansville Regional Airport, Fort Wayne International Airport, Indianapolis International Airport, South Bend Regional Airport, and Gary-Chicago International Airport. In addition, Indianapolis International Airport and Fort Wayne International Airport are qualified Cargo Service facilities as well.

Commercial service airports are facilities which enplane between 2,500 and 10,000 annual passengers. Currently, Indiana has no commercial service airports. Due to congestion at large hub airports such as Chicago O'Hare, low passenger volume flights from smaller cities are suffering because they are not as economically profitable for the airlines as the higher volume flights from larger cities.

Airports which do not receive scheduled airline service or which enplane fewer than 2,500 passengers annually are classified as general aviation facilities. General aviation airports service aviation needs other

than military and commercial carrier including business flying, flight instruction, personal flying, agriculture spraying, aerial photography, etc. This category of airport is further broken down into two groups, including reliever airports and strict general aviation airports. Reliever airports are defined as general aviation airports in metropolitan areas which fulfill specific congestion relief functions. These facilities are intended to reduce congestion at large primary airports by providing general aviation pilots with alternative landing areas. Reliever airports also provide surrounding metropolitan and suburban areas with access to air transportation.

Indiana currently has a total of 6 reliever facilities. These facilities provide congestion relief for Chicago Midway Airport, Indianapolis International Airport, and Standiford Field in Louisville, Kentucky. Indiana's reliever airports include: Clark County Airport in Jeffersonville, Griffith-Merrillville Airport in Griffith, Eagle Creek Airpark in Indianapolis, Metropolitan Airport in Fishers, Mount Comfort Airport in Indianapolis, and Indianapolis Executive Airport in Zionsville.

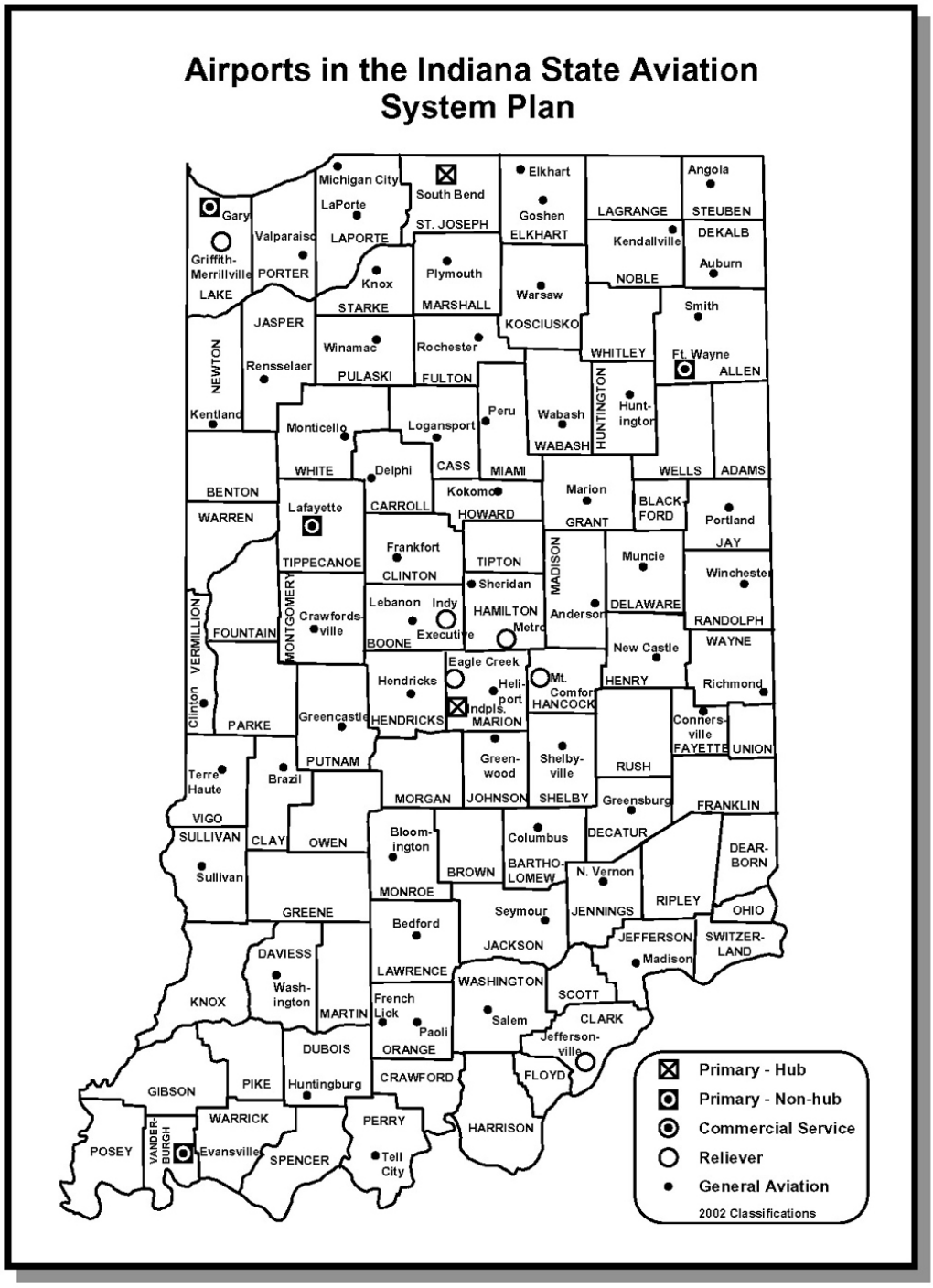
Airports which have fewer than 2,500 annual passengers and do not provide specific congestion relief functions are classified strictly as general aviation facilities. General aviation accounts for the majority of all civil aircraft throughout the nation and in Indiana. The remaining state systems plan facilities fall under this category. Exhibit 1 includes a map detailing ISASP airport locations and classifications.

Airport Access: The FAA's NPIAS planning guidelines recommend that population centers should have adequate access to a suitable aviation facility. Adequate access is defined as a thirty-minute driving time (20 miles) to a facility that meets the community's needs. Nationally, the NPIAS estimates that over 97% of the population of the United States lives within twenty miles of a NPIAS airport. In Indiana, an estimated 98% of the population resides within a twenty-mile radius of an ISASP facility.

Runways: Indiana's public-use runway facilities have grown in length. The state now has 32 airports with runways over 5,000 feet in length, making them capable of accommodating many of the business jet aircraft.

Economic Impact: According to the Aviation Association of Indiana, the total 2003 economic impact of Indiana's airports was more than $4.6 billion. Additionally, more than 18,900 people are employed at Indiana Airports.

Exhibit 1: System Plan Map



Indiana State Aviation System Plan Goals: As Indiana's aviation infrastructure grows, the mission of the Indiana Department of Transportation Aeronautics Section is to work to ensure a total fulfillment of safety and security standards and the promotion of an environment which ensures sustained airport development for current and future needs. Aviation planning goals of the Indiana Department of Transportation focus on the safety, security, preservation, and congestion relief of the aviation system while continuing to meet air travel demands. Specifically, the aviation planning goals are as follows:

- To develop, preserve, and enhance an airport system which is safe and reliable and meets the current and future air travel demands of all of Indiana residents, those doing business within the State and visitors to the State.

Preservation and enhancement should focus on maximizing the use of federal and state airport development funds.

Preservation and enhancement of the capacity of our existing airport system should occur without creating or intensifying competition between existing individual facilities.

Preservation and enhancement of the utility of our airport system should occur through sensible, justifiable, cost effective development which increases airport capability while minimizing negative impacts where practical.

Airport pavements should be maintained to a minimum service level consistent with the classification of the airport.

Airport utility should be maintained or enhanced to meet instrument approach capabilities appropriate to the classification of the airport.

- To promote security through communication, education and facility enhancement to protect airport users and visitors.

Communication procedures should be enhanced to disseminate important security information to airports quickly and efficiently.

Education should focus on encouraging airport operators and users to be vigilant at all times and report suspicious activity to the appropriate law enforcement agency.

Facility enhancement should focus on promoting systems to limit access to aircraft, aircraft ramps, parking facilities, hangars and fuel storage areas.

- To promote aviation safety through the fulfillment of State Statutory Obligations.

All private and public-use landing facilities (airports, heliports, ultra-light flight parks, and sea-plane bases) are to be inspected and/or certified as required by 105 IAC 3-3. Through this inspection process, the Aeronautics Section strives to maintain a high level of safety within the aviation system.

All tall structures which fall under the Indiana Regulation of Tall Structure, I.C. 8-21-10, are to be processed for permits. This is to provide for the safety, welfare and protection of persons and property in the air and on the ground, while maintaining electronic communications within the state.

- To provide adequate airport access to all of Indiana's population.

All Indiana citizens should be within 30 minutes (20 miles) of an Indiana State Aviation Plan airport.

Airport Improvement Funding: The primary purpose for developing the Indiana State Aviation System Plan, and maintaining the information that supports it, is to provide information to policy makers for the purpose of guiding public investment. The System Plan serves as an eligibility guideline and as a long-term view of capital development needs. It provides a snapshot of the health of the entire system. This snapshot allows policy makers to identify the geographic regions and airport facilities that are experiencing growth, as well as to prevent any surprises for airport construction needs related to capacity shortfalls or facility deterioration. A capital spending plan to meet the needs of Indiana's aviation infrastructure is established through the development of a Capital Improvement Program.

The basic purpose of the Capital Improvement Program (CIP) is to maintain an airport specific, short-term listing of development needs and budget for those needs. This listing is used to identify project costs and to match state and federal financial resources to construction projects according to state and federal development priorities.

Airport Development Funding

Airport development funds come from a combination of federal, state and local sources. The federal program is the largest while local funds come from the most diverse sources. While all levels of government are involved in funding airport development projects, by far the largest source of funds is derived from excise taxes on aviation activity. In other words, the users of the system pay for its operation, upkeep, and development.

The National Priority System (NPS)*:* One of the factors that influence an airport's ability to obtain federal funding is the FAA's National Priority System. The objective ranking system for federally funded projects prioritizes six general categories; *Safety and Security Projects, Preservation Projects, Standard Projects, Upgrade Projects, Capacity Projects, and New Airport Construction.* The NPS takes into account project type and airport utility. In this way, the needs of small general aviation airports can be weighed against large commercial airports.

Federal Funding Sources: Federal funds make up the largest source of funds for airport development in Indiana. The Airports and Airway Trust Fund is the mechanism that funds the Federal Aviation Administration's Airport Improvement Program. The trust fund is supported by excise taxes levied on airline tickets, non-commercial aviation fuels, airfreight shipments and departing international airline passengers.

Three basic types of federal funds are available for airport construction from the Airport Improvement Program (AIP). These fund types include entitlement funds, state apportionment funds, and discretionary funds. The category of funding for which an airport applies is determined by activity levels. AIP grants are normally issued for 95% of the project cost while the state and local participants provide 2.5% each.

Entitlement Funds: All primary airports receive entitlement funds based on the number of passengers enplaned at their facilities. The minimum entitlement amount is $1.0 million. If an airport elects to use entitlement funds for projects with low scores in the National Priority System, they may jeopardize their chance of obtaining discretionary funds that fiscal year.

General Aviation entitlements, dubbed Non-Primary Entitlements (NPE), were created by the Aviation Investment and Reform Act for the 21st Century (AIR-21) legislation and renewed by the Century of Aviation Reauthorization Act (Vision 100). This entitlement is allocated to all general aviation airports meeting FAA

eligibility requirements and included in the NPIAS. Vision 100 authorizes the NPE through 2007. Funding amounts have been set at $150,000 per year or 1/5 of the eligible costs as listed in the NPIAS, whichever is less. Although authorized, the NPE only kicks in if the total appropriated amount in the National Airport Improvement Program reaches the threshold of $3.2 billion. Vision 100 Authorizes $3.5 billion in 2005, $3.6 billion in 2006 and $3.7 billion in 2007.

Although INDOT administers matching grants (usually 2.5%) to these entitlements, the actual federal grant portion goes directly to the receiving airport, and is not administered through INDOT.

State Apportionment Funds: Airports eligible for state apportionment funds include commercial service airports and general aviation airports. State apportionment funding levels averaged $5.2 million for the period 2002-2004.

Discretionary Funds: All eligible airports must compete for discretionary fund grants on a nationwide basis with all other airports. Although the FAA uses the National Priority System to help evaluate projects, whether or not a project is selected for discretionary funds occurs at the option of the FAA. Requests for Airport Improvement Program dollars greatly exceed the amount of available federal funds.

State Funding Sources: The State of Indiana also provides funds for airport development. State airport development funds are drawn from the Indiana General Fund and the Build Indiana Fund, and are administered through the Aeronautics Section of INDOT. Unlike Indiana's public transit and railroad programs, which derive funding either from state sales tax, gasoline taxes, or other dedicated sources, there is no dedicated revenue source for aviation system development or infrastructure investment. General Fund and Build Indiana Fund (BIF) appropriations are made by the Indiana General Assembly and are the two primary funding mechanisms.

The State Matching Grant program, funded from the Indiana General Fund, provides for matching federal grants. Grants are issued under this program to provide a matching share for grants under the Federal Airport Improvement Program.

The State/Local Grant program, funded by BIF, is used to fund projects for which federal funds are not available. This program divides development costs between state funds (50%) and local funds (50%). Projects in the State/Local program are selected by state priority system, which emphasizes safety and preservation. Biennial expenditures for the State/Local matching program have historically been approximately $2 million. This program has been suspended for 3 years due to budgetary considerations.

The Airport Development Revolving Loan Program was created by the legislature in 1990. To date, this program has not been funded.

Local Funding Sources: Local airports sponsors provide the balance of funds for aviation infrastructure development. Local share is usually 2.5% for Federal Airport Improvement Program grants and 50% for State/Local grants. Local taxes, bond issues, airport revenue, and private investments are all potential sources for local share.

Future Aviation Needs

Federal and State Funding: One of the difficulties in planning for aviation infrastructure development is the lack of consistent multi-year funding programs on both the federal and state levels. Vision 100 includes multi-year funding, but it has significant gaps. It contains language to encourage the appropriation of all funds authorized each year, but it does not require or guarantee that this will occur. Additionally, it expires in 2007. Several provisions of Vision 100 depend on the ability of Congress to fully fund the authorized amounts.

The same difficulties that exist in consistent multi-year funding at the federal level also exist at the state level. Aviation infrastructure is funded out of General Fund appropriations by the Indiana General Assembly. This means that a new request must be made each biennium for funding the State Matching Grant program and the State/Local program. Aviation is the only mode of transportation that does not have a dedicated source of funds for development. All other modes are able to access the state gasoline tax or the state sales tax to fund permanent development accounts. Because of unpredictable federal and state funding amounts, INDOT and the FAA employ a 5-year planning period for airport development projects.

Future Project Requests: According to the FAA NPIAS, 5-year capital development costs for Indiana airports are estimated to be approximately $794 million. Additional major improvements are being requested by both Indianapolis International Airport (midfield terminal) and Gary/Chicago (terminal and runway extension). If these projects are included, total needs for Indiana airports exceed $1.98 billion.

Some of the more prominent projects identified in airport master planning efforts at some of Indiana's primary airports include the following:

Indianapolis International Airport requires a new midfield terminal and associated facilities, as well as an additional runway.

Gary/Chicago Airport has sufficient infrastructure and is suitably positioned to be the third major airport serving the Chicago area, but needs runway extensions, a new terminal and other development to meet future demand.

South Bend-Michiana Regional Airport shows a need for additional terminal and cargo area ramp construction, runway extension and roadway relocation.

Evansville Regional Airport shows a need for a crosswind runway extension and general aviation apron reconstruction.

Fort Wayne International Airport shows a need for additional airfield rescue and firefighting equipment, a new security system and an expanded terminal apron.

When High Speed Rail becomes is established in Indiana, these primary airports can serve as appropriate multi-modal facilities at which to locate the stations. Otherwise, convenient links to these facilities will be necessary.

Another cost identified for Indiana airports involves accessibility. A major goal for the Indiana State Aviation System Plan as a whole is to improve safety and accessibility to airports under poor weather conditions. Cloud base altitudes and visibility minimums at which a given airport should be able to safely accommodate

air traffic are identified in the Indiana Approach Procedures Assessment. An estimated $2.1 million in establishment costs is needed to reach these target instrument approach capabilities.

Summary

Despite lacking consistent or dedicated funds for airport development, Indiana has succeeded in maintaining and improving a strong aviation system. Since 2001, airport employment and economic impact have increased 10 percent. Aviation continues to play an increasing role in business in Indiana. General aviation airports provide a vital link for businesses across the state. As congestion at major hub airports worsens, it is more important than ever to plan for the future. To ensure a safe, secure, and efficient transportation system that can serve as an economic engine for Indiana, aviation must be developed and enhanced at every opportunity.

Bicycle and Pedestrian Programs

Bicycle and pedestrian facilities are gradually becoming a meaningful part of the transportation network in Indiana. Valued for their potential health benefits and positive effects on air quality, walking and bicycling now represent the chief non-motorized forms of transportation available for both utilitarian and recreation purposes. As alternate modes of travel, facilities for walking and/or bicycling are effective means of attaining social, environmental, land use and energy conservation goals.

Planning for bicycle and pedestrian facilities is a relatively new function within the Indiana Department of Transportation. Historically, most bikeway and pedestrian-related planning has been conducted at the local level in Indiana. Under ISTEA however, a shift began to take place where INDOT, in coordination with non-motorized transportation stakeholders, began to focus more resources towards the planning and development of non-motorized transportation infrastructure. INDOT's policy towards bicycle and pedestrian transportation grew out of a joint coordination effort between the Indiana Department of Commerce, the Indiana Department of Natural Resources (DNR), the Indiana Bicycle Coalition and the Hoosier Rails-to-Trails Council. After careful deliberation, the following policy statement emerged from the coordination effort:

"INDOT will support non-motorized modes of travel as a means to increase system efficiency of the existing surface transportation network, reduce congestion, improve air quality, conserve fuel and promote tourism benefits. INDOT will work to remove unnecessary barriers to pedestrian and bicycle travel."

The Indiana Trails 2000 Program is a comprehensive effort by the Indiana DNR to define linear recreation corridors throughout the state. The mission of the program is "to provide direction for trail development efforts in Indiana at the local, regional and state levels." The state trails plan is intended to be a resource

that is useful not only to DNR, but also to other agencies and trail advocates. According to the DNR, the plan is not a trail users guide, but rather a guide for trail providers developed by trail users.
The planning process began in January of 1993. Through a series of meetings and mailings, members of the planning group developed and prioritized goals and objectives for the state trails plan. Participants in the program included a wide array of interest groups and enthusiasts. Among those attending meetings and helping to form alternatives and recommendations to benefit trail groups were: 4-wheel drive riders, equestrians, bicyclists, off-road motorcyclists, snowmobilers, all terrain vehicle riders, water trail users, users with disabilities, hikers and walkers, environmentalists and conservationists, and local park/recreation agency representatives. The goals identified by the Trails 2000 Program read as follows:

- Acquire more land for trail use;
- Develop trail networks which allow for multiple uses and promote alternative transportation;
- Set and adhere to trail design, construction and maintenance standards;
- Provide information on trail systems; and
- Ensure long-term management planning.

The final report Indiana Trails 2000, was released in June of 1996. State trails planners also participate with INDOT in bicycle-pedestrian policy and strategy formation and serve on the interagency committee. As a means to reinforce the efforts of both agencies to improve bicycle and pedestrian transportation in the state, it is INDOT's intention to increase cooperation with the Department of Natural Resources where mutual interests in bicycling and pedestrian activity exist.

Indiana Port Commission

The Indiana Port Commission was created by act of the General Assembly in 1961 and is charged with promoting the agriculture, industrial and commercial development of the state through the establishment of port facilities upon Indiana's navigable waterways and developing and marketing a statewide network of Foreign-Trade Zones.

Indiana's port system is comprised of three public facilities: Burns Harbor; Southwind Maritime Centre and the Clark Maritime Centre. Indiana's International Port at Burns Harbor on the Lake Michigan shoreline in Porter County was dedicated in 1970. Southwind Maritime Centre on the Ohio River, just east of Mt. Vernon, Indiana, began operations in 1976. Clark Maritime Centre, in Clark County also on the Ohio River, opened in 1985.

The Indiana port system provides major intermodal terminals for commodity movements, combining waterborne modes with highway and rail access. Industrial sites have been developed at each port for the location of firms directly engaged in marine transportation or for those firms seeking proximity to multi-modal terminal facilities.

The Indiana Port Commission maintains an internet web site at http://www.portsofindiana.com which provides information on the Indiana port system.

Public Transit

Indiana does not have a state owned and operated public transit system. All of the systems are either owned or controlled by local units of government, which are solely responsible for making all operating decisions. The state's major function is to distribute financial assistance, manage grant programs, and provide technical assistance and planning support.

State transit policy has traditionally been set by the Indiana General Assembly and has been in response to changes in federal policy. State policy has been limited to municipally owned bus and commuter rail transit services, and to a lesser extent for specialized transit provided by social service agencies.

The Indiana Department of Transportation (INDOT) Public Transit Section's mission is to improve personal mobility and quality of life through the preservation and enhancement of passenger transportation systems. This mission is carried out through the following objectives:

1. Improve access to employment, services, education, and recreation for all Indiana citizens.
2. Increase modal choices through high occupancy, shared-ride travel options to provide every community with a broad range of transportation options.
3. Support affordable modal choices for all Indiana citizens.
4. Encourage energy conservation.

This document, a section of the INDOT 2025 Transportation Plan, will describe the public funding history of transit in Indiana, provide an overview of the status of public transit in Indiana today, and plans for the future.

A Brief History of Public Transit in Indiana

As mentioned in the Introduction, the first piece of transit-related legislation passed by the Indiana General Assembly in 1965 was the Indiana Urban Mass Transportation Act. This legislation enabled communities to form independent property taxing districts to maintain and improve transit services. The Act was also significant in that it set the framework in which state government viewed public transit for the next decade; namely, that transit was a local concern that needed to be addressed with local resources.

In 1975 the state became directly involved in local public transportation through recommendations from the Indiana Mass Transportation Study Commission of the General Assembly. Actions taken included providing matching funds for federal funding and establishing the Division of Public Transportation to manage the program and provide technical assistance to localities interested in improving or establishing transit service.

The Institute for Urban Transportation (IUT) at Indiana University, Bloomington, staffed the state program under contract with the Governor's Office. Known as the Indiana Mass Transportation Improvement Project, IUT focused on helping municipalities apply for a growing source of federal funds and limited state assistance to recapitalize aging transit fleets and to offset operating losses. At this time the state matching grant program received an annual appropriation of $2 million from the state's General Fund.

In 1978, Congress passed a new grant program for small cities, towns, and counties patterned after its program to larger cities; and states were required to manage the program on behalf of these smaller

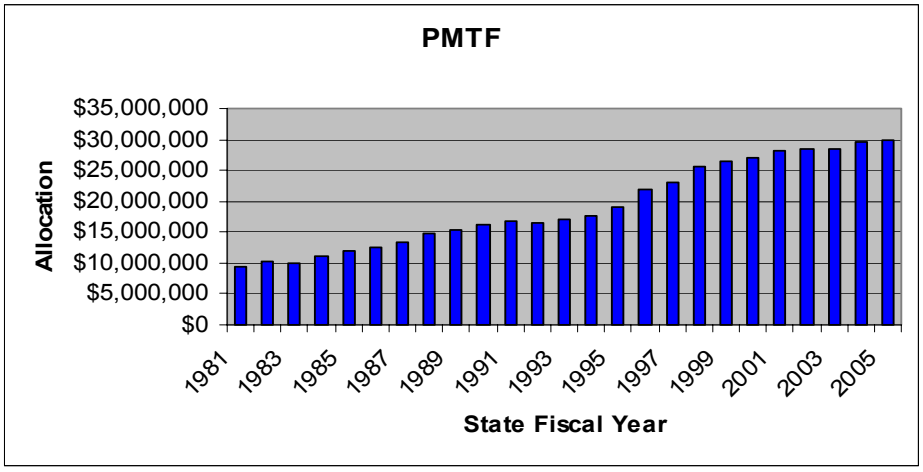
systems. In response, the Indiana General Assembly appropriated state funds in state fiscal year 1979 to staff a Division of Public Transit within the State Planning Services Agency.

The Public Mass Transportation Fund

In 1981, the General Assembly created the Public Mass Transportation Fund (PMTF). This fund came from a dedicated portion (0.76%) of the state sales tax, and more than doubled the state's annual appropriation to transit. At the time, Indiana was one of only a few states that had dedicated funding. This was no small achievement given the state's predominantly rural composition and long standing policy that transit was a local issue.

The following chart illustrates the amount of funding the PMTF has provided since its beginning in 1981. The PMTF has risen from $9.5 million in 1981 to $30 million in 2005.

Figure 4-3



The PMTF remained a federal matching grant program, with most of the assistance going to the bus systems in the state's major urban areas; and to the Northern Indiana Commuter Transportation District, which subsidized the South Shore commuter rail service between South Bend and Chicago. This additional state funding, coupled with a growing federal program, fostered the emergence of new state supported transit systems; increasing the number from 18 public systems in 1980 to 53 in 2004.

In 1996, INDOT carried out an in-depth study of the PMTF Allocation with the objective to create a rational and equitable mechanism for the distribution of state operating assistance to public transit providers in the state. The objective was accomplished through an extensive process involving the affected transit systems and a steering committee to direct and fine-tune the study to the specific elements of the formula. The final recommendations reward the transit systems that are best serving their customers and providing cost-effective service to their communities, and provide incentives and time for all systems to improve. The resulting PMTF formula is summarized as follows:

1) The formula provides a set-aside to the Northern Indiana Commuter Transportation District (NICTD) of 12.34%.

The decision to fund NICTD separately resulted from concern that it was not reasonable to compare motor bus transit systems to commuter rail service. This set-aside does not provide NICTD with any more money than they would receive by being included in the formula. It also allows for a more rational peer-based performance comparison among the rest of the transit systems.

2) The remaining 87.66% of the total allocation is then distributed to the motor-bus transit systems. These systems are divided into four peer groups: Large fixed-route, Small fixed-route, Urban Demand Response and Rural Demand Response systems. PMTF funds are allocated to each group based on the group percentage of total operating expenses. See the following section, Public Transportation Statistics for a description of the peer groups.

3) Funding is allocated within each group based on performance, as follows:

- 1/3 Passengers per Operating Expense, measured as passengers carried divided by operating expense, weighted by passengers

- 1/3 Miles per Operating Expense, measured as total vehicle miles operated divided by operating expense, weighted by total vehicle miles

- 1/3 LDI per Operating Expense, measured as locally derived income (LDI) divided by operating expense, weighted by LDI*

* **Locally Derived Income** consists of: 1) System revenue, including fares, charter, advertising and all other auxiliary and non-transportation revenues; 2) Taxes levied by, on behalf of, the transit system, and 3) Local cash grants and reimbursements including local general fund, unrestricted state/federal funds (i.e., federal funds eligible to match Section 5311 funds), property, local option income, license excise and intangible taxes, bank building and loan funds, local bonding funds, and other locally derived assistance. *LDI does not include contra-expenses, (e.g. expense refunds such as motor fuel tax), or in-kind volunteer services.*

4) The formula imposes an allocation cap, limiting PMTF funding for each system to 50% of actual operating expense. The operating expense is not the three year average as used in the remainder of the formula. Instead, the cap compares current PMTF funding (for example, for CY 2000), to the actual operating expense reported for a single year two years prior (in this example, 1998). Typically, data from two years prior is the most current data available. Funds released due to the imposition of the cap are reallocated within the system's group, based on each non-capped system's allocation as a portion of the group allocation.

The purpose of the new formula is to "reward" systems for increasing ridership, keeping operating expenses minimal, and providing substantial locally derived income. PTS project managers are responsible for tracking these statistics and assisting the operator as problems or concerns arise.

Public Transportation Statistics

In calendar year 2004, there were 53 public transit systems providing service in Indiana. These systems represent a wide array of service delivery characteristics such as fixed-route, demand response, and commuter rail service. The transit systems are divided into 4 Peer Groups that are distinguished by total vehicle miles, whether the service operates in an urbanized or non-urbanized area, and the proportion of fixed-route compared to demand response service.

Group One: Large Fixed Route Systems

Transit systems in Group One are large fixed route systems that operate an average of more than one million total vehicle miles per year, with more than 50% of the total vehicle miles operated in fixed route service. Bloomington Public Transportation Corporation joined Group One in 2003.

The eight transit systems in Group One provide service to more than 1.7 million Indiana residents, approximately 29% of the stat's population. The populations of the service areas served by Group One systems range from 67,430 in Muncie to 904,219 in Indianapolis.

System	System Name	Service Area	Service Area Population
Bloomington	Bloomington Public Transportation Corporation	Bloomington Metropolitan Area	69,291
Evansville	Metropolitan Evansville Transit System	Evansville Metropolitan Area	121,582
Fort Wayne	Citilink	Fort Wayne Metropolitan Area	218,133
Gary	Gary Public Transportation Corporation	Gary City Limits and Selected Corridors	102,746
Indianapolis	IndyGo	Indianapolis Metropolitan Area	904,219
Lafayette	CityBus	Lafayette, West Lafayette Metropolitan Area, & Purdue Campus	123,046
Muncie	Muncie Indiana Transit System	Fixed Route/City Limits - Demand Response/City Limits	67,430
South Bend	South Bend Public Transportation Corporation	South Bend & Mishawaka Metropolitan Area	154,346
Total			**1,760,793**
Total Indiana Population			**6,080,485**
Percent of Indiana Population			**29%**

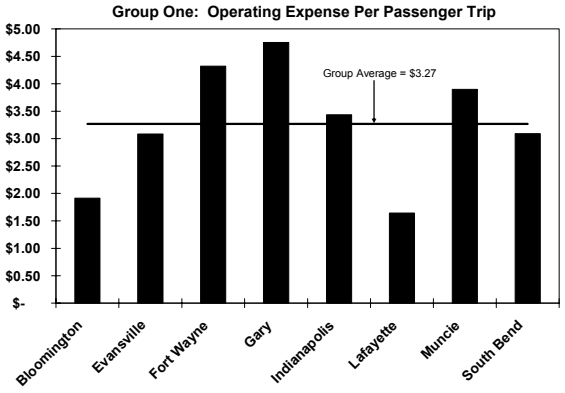
In 2003, Group One transit systems provided more than 25.6 million passenger trips. Total ridership for the Group One systems increased 6.57% percent in 2003. Seventy-five percent (75%) of the systems had ridership increases between 1.66% and 10.51% percent, while 25% had ridership decreases between 1.09% and 2.77%. Ridership among Group One systems ranged from 1.2 million trips to 11.3 million trips.

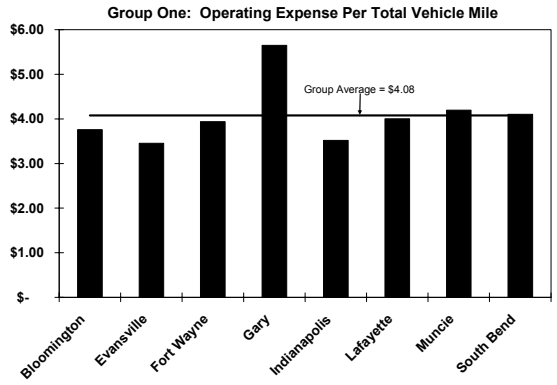
The total vehicle miles operated by Group One transit systems increased in 2003. Total vehicle miles increased by 4.32%, from 20.2 million miles in 2002 to approximately 21.1 million miles in 2003. Seven of the eight systems operated more total vehicle miles this year. In 2003, total vehicle miles for the group ranged between 1.0 and 11.0 million.

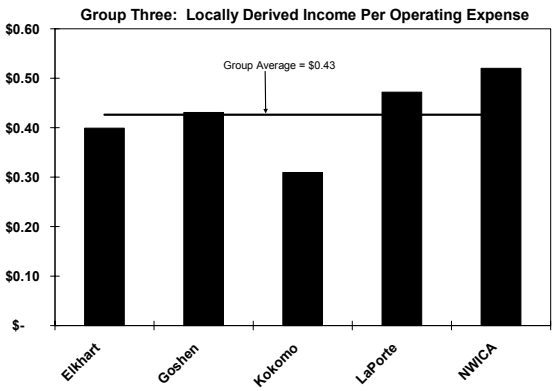
	Total Ridership			Total Vehicle Miles		
System	2003	2002	Percent Change	2003	2002	Percent Change
Bloomington	2,070,321	1,993,675	3.84%	1,053,999	1,010,652	4.29%
Evansville	1,588,160	1,562,278	1.66%	1,418,046	1,396,805	1.52%
Fort Wayne	1,557,321	1,438,431	8.27%	1,709,064	1,687,641	1.27%
Gary	1,289,824	1,304,092	-1.09%	1,085,395	1,158,607	-6.32%
Indianapolis	11,324,573	10,247,493	10.51%	11,047,044	10,386,718	6.36%
Lafayette	3,910,057	3,578,716	9.26%	1,605,140	1,519,857	5.61%
Muncie	1,351,615	1,313,964	2.87%	1,255,501	1,233,142	1.81%
South Bend	2,554,384	2,627,101	-2.77%	1,924,147	1,831,001	5.09%
Total	**25,646,255**	**24,065,750**	**6.57%**	**21,098,336**	**20,224,423**	**4.32%**

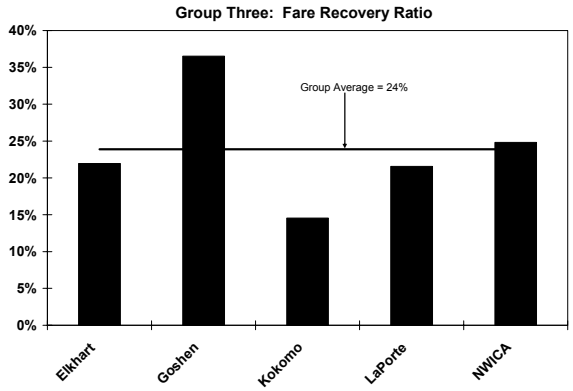
The following charts exhibit several transit performance indicators and provide a comparison among Group One systems. In 2003, the average operating expense per passenger trip for Group One systems was $3.27. The cost per trip varied from $ 1.64 to $4.75. Among the urban systems, the average operating expense per vehicle mile was $4.08 in 2003. The individual systems' cost per mile ranged from $3.45 to $5.65.

In 2003, the ratio of locally derived income to operating expense varied from $0.42 to $0.65. This means that for every dollar of expense, between $0.42 and $0.65 of revenue came from local sources such as fares, charter revenue, and local assistance. Similarly, the fare recovery ratio measures the amount of the total operating expense that is covered by the passenger fares. Among the urban systems, the average fare recovery ratio was 17% while the individual systems' actual fare recovery ratios ranged from 5% to 24%.









Group Two: Small Fixed Route Systems

Group Two systems are small fixed route systems that operate less than one million total vehicle miles per year, with more than 50% of the total vehicle miles operated in fixed route service.

The nine (9) transit systems in Group Two provide service to more than 471,000 Indiana residents, approximately 8% of the state's population. The sizes of the service area populations range from 31,320 to 88,185. The average service area population served by Group Two systems is 52,338.

System	System Name	Service Area	Service Area Population
Anderson	City of Anderson Transit System	Anderson City Limits	59,734
Columbus	Columbus Transit	Columbus City Limits	39,059
East Chicago	East Chicago Public Transit	East Chicago City Limits	32,414
Hammond	Hammond Transit System	Hammond, Whiting, and adjacent areas of Illinois & Indiana	88,185
Marion	Marion Transportation System	Marion City Limits, plus hourly service to Gas City and Jonesboro	31,320
Michigan City	Michigan City Municipal Coach Service	Michigan City Limits and Trail Creek	32,900
Richmond	Rose View Transit & Paratransit System	Richmond City Limits	39,124
TARC	Transit Authority of River City	New Albany, Clarksville, and Jeffersonville City Limits	86,365
Terre Haute	Transit Utility for the City of Terre Haute	Terre Haute City Limits and West Terre Haute	61,944
Total			**471,045**
Total Indiana Population			**6,080,485**
Percent of Indiana Population			**8%**

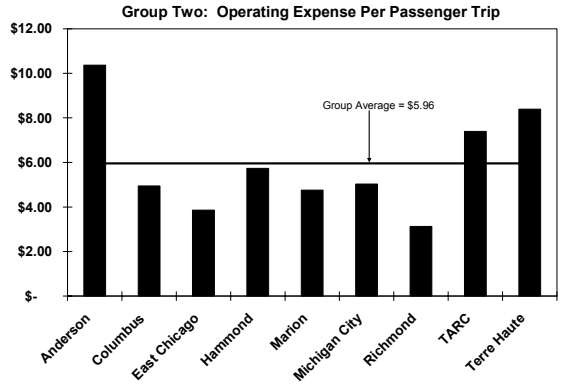
In 2003, Group Two systems provided more than 2.2 million trips. Total ridership for the Group Two systems decreased in 2003. Overall, total ridership decreased 0.83%. Six (6) of the systems decreased between 1.58% and 18.1%. Only three (3) of the systems had increases ranging between 0.58% and 13.14%. Ridership on Group Two systems ranged from 137,833 to 416,845 in 2003.

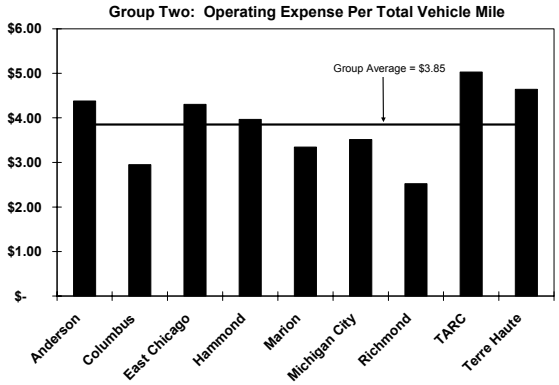
System	Total Ridership			Total Vehicle Miles		
	2003	2002	Percent Change	2003	2002	Percent Change
Anderson	211,837	258,640	-18.10%	501,287	491,140	2.07%
Columbus	168,207	170,912	-1.58%	281,929	265,510	6.18%
East Chicago	277,670	279,430	-0.63%	249,301	256,816	-2.93%
Hammond	361,413	339,711	6.39%	522,628	481,862	8.46%
Marion	137,833	137,035	0.58%	195,923	193,534	1.23%
Michigan City	177,887	184,940	-3.81%	254,689	256,579	-0.74%
Richmond	307,613	335,894	-8.42%	381,140	395,631	-3.66%
TARC	416,845	368,431	13.14%	612,374	548,792	11.59%
Terre Haute	158,492	161,346	-1.77%	286,421	293,430	-2.39%
Total	**2,217,797**	**2,236,339**	**-0.83%**	**3,285,692**	**3,183,294**	**3.22%**

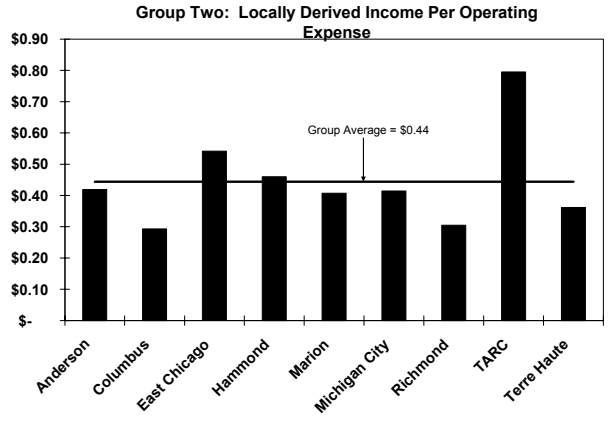
In 2003, Group Two systems operated approximately 3.285 million vehicle miles, more than 3% more miles than 2002. Five (5) out of nine systems in Group Two operated more miles in 2003. The number of total vehicle miles operated by a Group Two system varied from 195,923 to 612,374 and the average number of vehicle miles was 365,077.

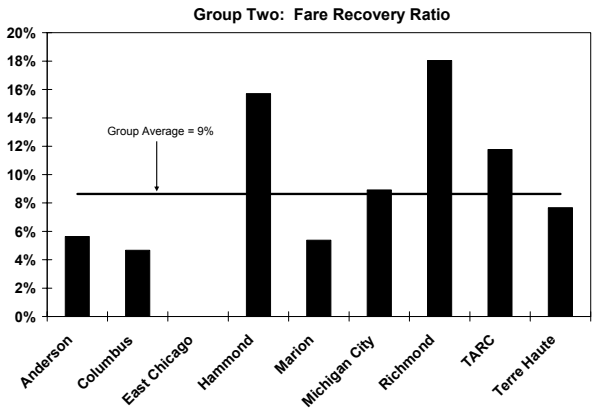
The first two graphs shown below exhibit standard indicators of transit expenses per unit of service provided. In 2003, the average operating expense per passenger trip among Group Two systems was $5.96. The cost per trip varied from $3.13 to $10.37. The average operating cost per mile was $3.85, with actual costs ranging from $2.52 to $5.03 per mile.

In 2003, all of the Group Two systems covered approximately 44% of their operating expenses with locally derived income. For each dollar of expense, an average of $0.44 came from local financial sources such as passenger fares, charter revenue, levy revenue, and local cash grants among others. The locally derived income per operating expense ranged from $0.29 to $0.80. On average, the systems covered 9% of their expenses through passenger fares. The Group Two fare recovery ratios ranged from 5% to 18% (note: East Chicago does not charge a passenger fare, thus does not exhibit a fare recovery ratio).









Group Three: Urban Demand Response Systems

The five (5) transit systems in Group Three operate in urbanized areas with populations greater than 50,000. Fifty percent (50%) or more of their total vehicle miles are operated in demand response or deviated fixed route service.

The Group Three systems serve approximately 469,178 people. The combined service area populations provide service to approximately 8% of the state's population. The average service area population for Group Three systems is 93,836. Although Elkhart and Goshen operate separate transit systems, the two cities are defined as one metropolitan area with a combined population of 81,257.

System	System Name	Service Area	Service Area Population
Elkhart	Heart City Rider/The Bus	City of Elkhart	51,874
Goshen	Goshen Transit	City of Goshen and contiguous area	29,383
Kokomo	First City Rider/Kokomo Senior Citizen Bus Service	City of Kokomo	46,113
LaPorte	TransPorte	LaPorte City limits and one-quarter mile fringe	21,621
NWICA	NWICA Transaction	Lake and Porter Counties	320,187
Total			**469,178**
Total Indiana Population			**6,080,485**
Percent of Indiana Population			**8%**

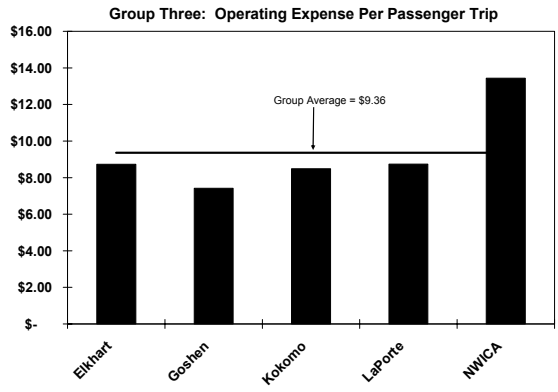
In 2003, Group Three systems provided 567,744 passenger trips, an increase of 0.54% from 2002. Two (2) of the systems had ridership increases which ranged between 5.99% and 7.71% percent. Ridership on Group Three systems ranged from 17,242 to 238,847 in 2003.

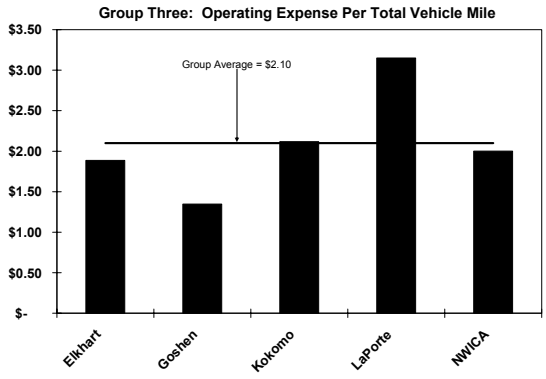
System	Total Ridership			Total Vehicle Miles		
	2003	2002	Percent Change	2003	2002	Percent Change
Elkhart	238,847	243,224	-1.80%	1,105,619	1,053,320	4.97%
Goshen	17,242	20,603	-16.31%	94,945	106,017	-10.44%
Kokomo	104,991	97,473	7.71%	420,841	465,617	-9.62%
LaPorte	50,799	56,334	-9.83%	140,932	143,331	-1.67%
NWICA	155,865	147,059	5.99%	1,046,876	705,925	48.30%
Total	**567,744**	**564,693**	**0.54%**	**2,809,213**	**2,474,210**	**13.54%**

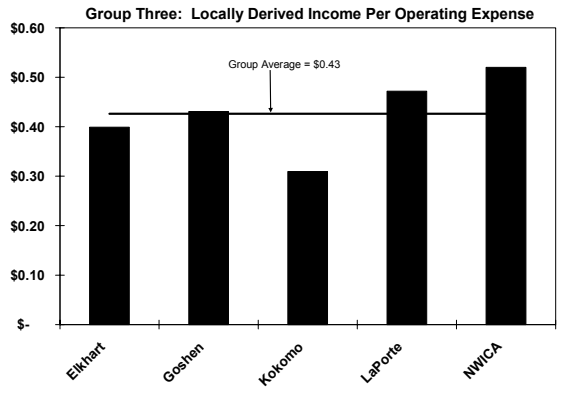
In 2003, Group Three systems operated more than 2.8 million vehicle miles. One half of the systems had ridership increases and one half experienced decreases. In total, vehicle miles for Group Three increased 13.54%. The systems operated between 94,945 miles and 1,105,619 miles in 2003.

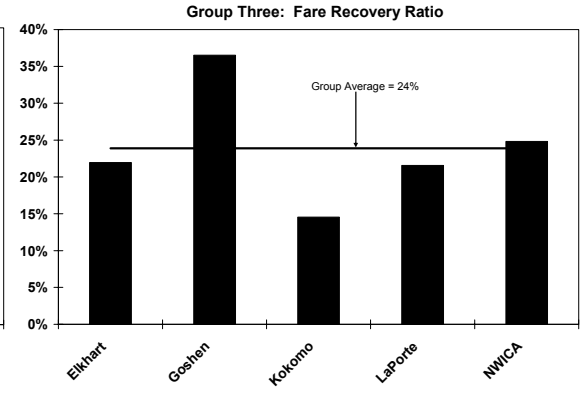
The Group Three systems had an average cost per passenger trip of $9.36 in 2003. The cost per trip increased approximately 7.34% from 2002. In 2003, the cost per trip for individual systems varied from $7.42 to $13.44. It cost an average of $2.10 for each vehicle mile operated by the Group Three systems. The actual operating expense per mile for the systems ranged from $1.35 to $3.15.

Through local means of generating income, the Group Three systems covered an average of $0.43 for each dollar of operating expense. Primarily using passenger fare revenue and local cash grants, the systems covered between $0.31 and $0.52 for each dollar of expense. Considering fare revenue alone, the systems recovered between 15% and 37% of system expenses through passenger fares, with an average fare recovery of 24%.









Group Four: Rural Demand Response Systems

Rural demand response systems include transit systems in urban areas with populations less 50,000 and rural county-wide and multi-county systems with varying population sizes. These systems operate 50% or more of their total vehicle miles in demand response or deviated fixed route service.

The thirty (30) systems in Group Four serve more than 1.3 million people. This represents 23% of the state's population. The average service area population is 46,026. The size of the individual service areas is between 4,567 and 119,025 people.

System	System Name	Service Area	Service Area Population
Bedford	Transit Authority of Stone City	Bedford City Limits	13,768
Cass County	Cass Area Transit	Cass County and City of Logansport	40,930
Fayette County	Fayette County Transit	Fayette County	25,588
Franklin County	Franklin County Public Transportation	Franklin County	22,151
Fulton County	Fulton County Transpo	Fulton County	20,511
Hendricks County	LINK Hendricks County	Hendricks County	104,093
Huntingburg	Huntingburg Transit System	Huntingburg City Limits	5,598
Huntington County	Huntington Area Transportation	Huntington County	38,075
Jay/Randolph/Delaware	The New Interurban Public Transit System	Delaware, Jay and Randolph Counties (except Muncie)	100,546
Johnson County	ACCESS Johnson County	Johnson County	64,048
KIRPC	Arrowhead Country Public Transportation	Jasper, Newton, Pulaski, Starke, and White Counties	107,187
Knox County	Van-Go	Knox County	39,256
Kosciusko County	Kosciusko Area Bus Service	Kosciusko County	74,057
Madison County	Transportation for Rural Areas of Madison	Madison County except Anderson	73,624
Miami County	Miami Co. YMCA	Miami County	36,082
Mitchell	Mitchell Transit System	Mitchell City Limits	4,567

Monroe County	Rural Transit	Monroe, Owen and Lawrence Counties	100,645
New Castle	New Castle Community Transit System	New Castle City Limits	17,780
Noble County	Noble Transit System	Noble County	46,275
Noblesville	Janus Developmental Service Inc.	Noblesville City Limits	28,590
Orange County	Orange County Transit Services	Orange County	19,306
Plymouth	Rock City Rider	City of Plymouth	9,840
Seymour	Seymour Transit (Recycle to Ride)	City of Seymour	18,101
SIDC	Ride Solution	Daviess, Greene, Martin, Pike & Sullivan Counties	96,554
SIRPC	Catch-A-Ride	Dearborn, Ripley, Jefferson, Ohio and Switzerland Counties	119,025
SITS	Southern Indiana Transit	Crawford, Harrison, Scott and Washington Counties	95,251
Union County	Union County Transit Service	Union County with trips to Richmond and Connersville	7,349
Wabash County	Wabash County Transit	Wabash County	34,960
Washington	Washington Transit System	Washington City Limits	11,380
Waveland	Waveland Volunteer Transportation System	Brookston, Clarks Hill, Hillsboro, Rossville, Boswell, and Waveland	5,642
Total			**1,380,779**
Total Indiana Population			**6,080,485**
Percent of Indiana Population			**23%**

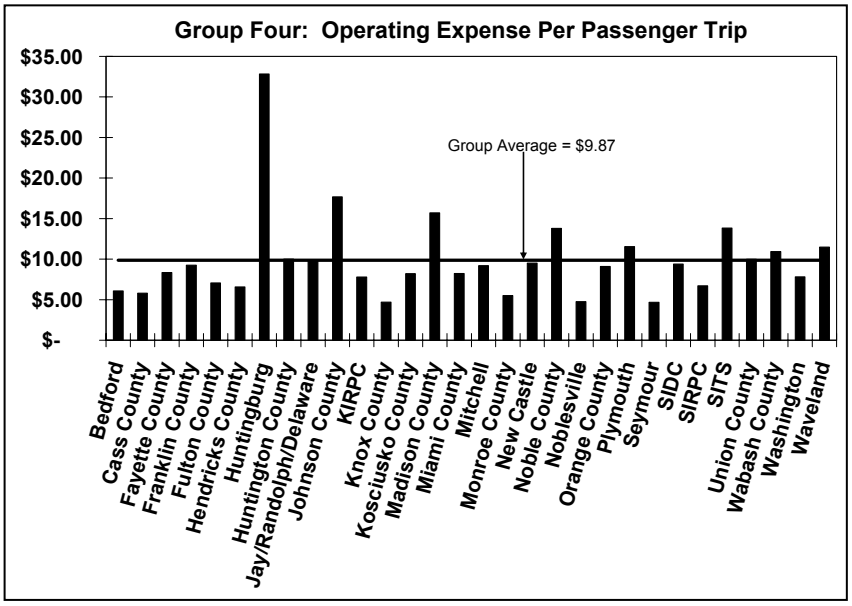
In 2003, the systems in Group Four provided 1.418 million trips, an increase of approximately 2.65% over the 2002 total. Twelve (12) systems had decreased ridership between 0.32% and 27.23% while eighteen (18) systems had increased ridership between 0.1% and 57.75%. The average number of trips provided by a Group Four system was 47,267. Group Four systems also operated significantly more miles in 2003. The systems operated 7.7 million vehicle miles in 2003, an increase of 11.94% over 2002. Ten (10) systems operated fewer miles than in 2002, while twenty (20) operated more miles. The number of vehicle miles operated by Group Four systems ranged from 4,970 to 948,223.

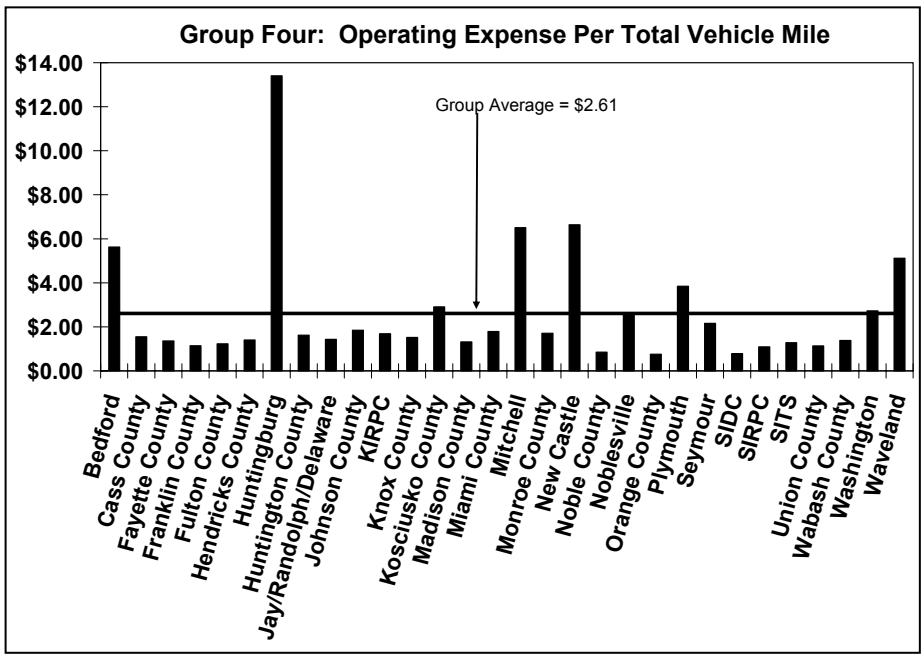
	Total Ridership			Total Vehicle Miles		
System	**2003**	**2002**	**Percent Change**	**2003**	**2002**	**Percent Change**
Bedford	69,781	76,500	-8.78%	75,572	80,710	-6.37%
Cass County	145,942	134,766	8.29%	546,459	454,324	20.28%
Fayette County	19,449	16,861	15.35%	119,180	108,636	9.71%
Franklin County	44,911	46,022	-2.41%	362,624	356,233	1.79%
Fulton County	21,919	19,048	15.07%	126,016	103,872	21.32%
Hendricks County	33,603	28,899	16.28%	157,273	139,822	12.48%
Huntingburg	2,511	2,706	-7.21%	6,151	7,192	-14.47%
Huntington County	25,439	19,805	28.45%	156,483	128,626	21.66%
Jay/Randolph/Delaware	68,491	62,090	10.31%	468,859	444,849	5.40%
Johnson County	43,145	27,351	57.75%	412,642	328,105	25.77%
KIRPC	153,828	164,993	-6.77%	708,338	720,160	-1.64%
Knox County	61,971	58,824	5.35%	191,208	169,171	13.03%

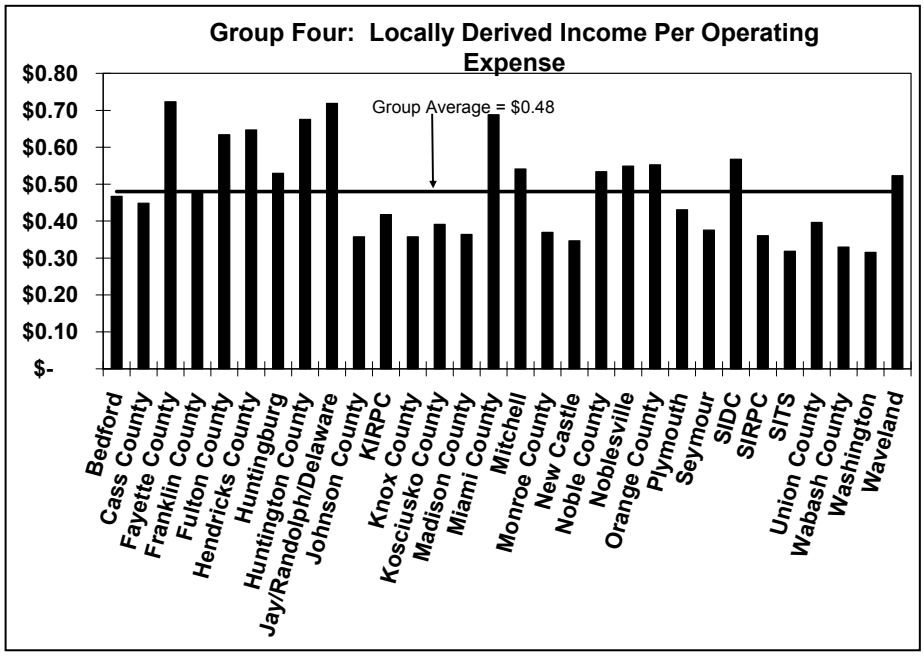
Kosciusko County	74,497		81,359		-8.43%		210,026		206,623		1.65%	
Madison County	12,373		14,544		-14.93%		147,511		174,346		-15.39%	
Miami County	25,319		23,679		6.93%		116,716		101,489		15.00%	
Mitchell	11,463		11,347		1.02%		16,193		17,052		-5.04%	
Monroe County	164,260		159,460		3.01%		529,397		470,944		12.41%	
New Castle	38,444		32,159		19.54%		55,084		41,416		33.00%	
Noble County	14,715		11,430		28.74%		237,729		161,385		47.31%	
Noblesville	17,557		19,408		-9.54%		32,552		48,916		-33.45%	
Orange County	30,450		22,202		37.15%		366,031		289,526		26.42%	
Plymouth	1,658		2,035		-18.53%		4,970		6,861		-27.56%	
Seymour	26,945		27,032		-0.32%		58,251		57,295		1.67%	
SIDC	79,169		79,092		0.10%		948,223		852,406		11.24%	
SIRPC	119,522		117,404		1.80%		735,051		741,911		-0.92%	
SITS	44,854		50,686		-11.51%		484,828		273,335		77.38%	
Union County	23,328		32,056		-27.23%		204,847		183,062		11.90%	
Wabash County	21,115		17,055		23.81%		166,810		155,194		7.48%	
Washington	10,325		10,255		0.68%		29,634		29,789		-0.52%	
Waveland	11,048		12,422		-11.06%		24,794		25,247		-1.79%	
Total	**1,418,032**		**1,381,490**		**2.65%**		**7,699,452**		**6,878,497**		**11.94%**	

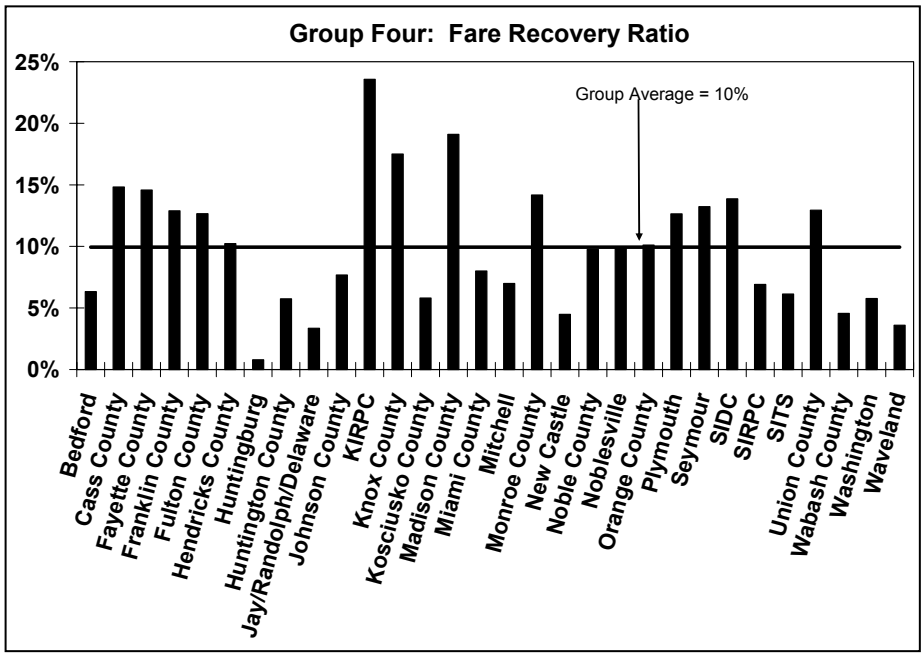
The cost per passenger trip for Group Four systems ranged from $4.67 to $32.84 with an average cost per trip of $9.87. The average operating expense per vehicle mile was $2.61. The actual cost per mile ranged from less than a dollar to $13.41.

The amount of locally derived income that the Group Four systems generated per dollar of operating expense varied within a range of $0.40 among the systems. While the average was $0.48 for each dollar of expense, the individual systems generated between $0.32 and $0.72 at the local level. The fare recovery ratio also differed greatly among the systems. Through passenger fares, the systems recovered between 1% and 24% of system expenses. The average fare recovery ratio was 10%.




Group Four: Operating Expense Per Total Vehicle Mile
$14.00
$12.00
$10.00
$8.00
$6.00
$4.00
$2.00
$0.00
Group Average = $2.61
Bedford
Cass County
Fayette County
Franklin County
Fulton County
Hendricks County
Huntingburg
Huntington County
Jay/Randolph/Delaware
Johnson County
KIRPC
Knox County
Kosciusko County
Madison County
Miami County
Mitchell
Monroe County
New Castle
Noble County
Noblesville
Orange County
Plymouth
Seymour
SIDC
SIRPC
SITS
Union County
Wabash County
Washington
Waveland


Group Four: Locally Derived Income Per Operating Expense
$0.80
$0.70
$0.60
$0.50
$0.40
$0.30
$0.20
$0.10
$-
Group Average = $0.48
Bedford
Cass County
Fayette County
Franklin County
Fulton County
Hendricks County
Huntingburg
Huntington County
Jay/Randolph/Delaware
Johnson County
KIRPC
Knox County
Kosciusko County
Madison County
Miami County
Mitchell
Monroe County
New Castle
Noble County
Noblesville
Orange County
Plymouth
Seymour
SIDC
SIRPC
SITS
Union County
Wabash County
Washington
Waveland



Northern Indiana Commuter Transportation District

The Northern Indiana Commuter Transportation District (NICTD) provides commuter rail service between South Bend, Indiana and Chicago, Illinois. Because commuter rail operations are inherently different from bus and demand response services in terms of ridership and cost and revenue, NICTD was not included in one of the four peer groups profiled in this section.

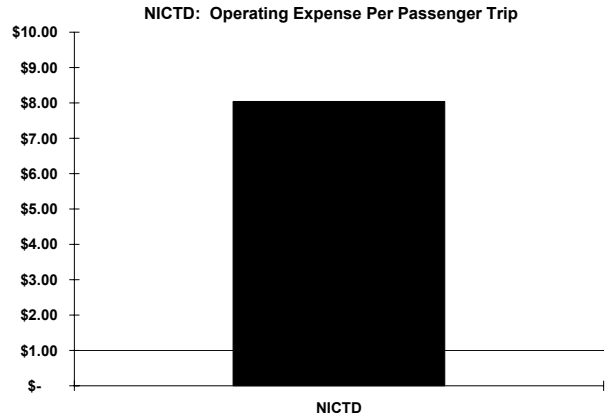
NICTD serves an estimated 163,611 Indiana residents along its service corridor. This represents approximately 3% of the state's population.

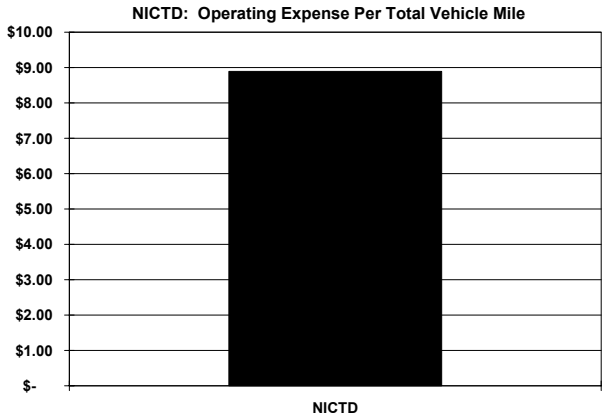
System	System Name	Service Area	Service Area Population
NICTD	Northern Indiana Commuter Transportation District	Rail Corridor between South Bend, IN & Chicago, IL	163,611 (estimated)
Total			**163,611 (estimated)**
Total Indiana Population			**6,080,485**
Percent of Indiana Population			**3%**

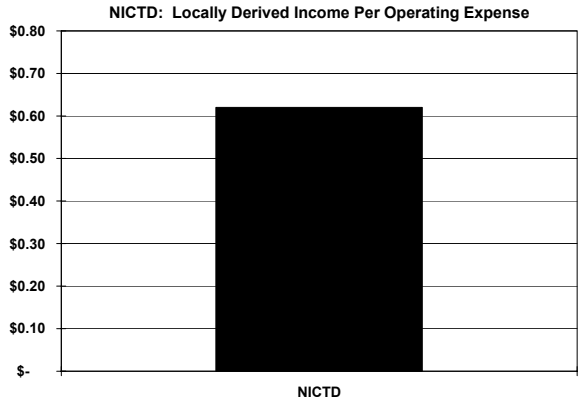
NICTD ridership levels decreased in 2003. NICTD provided 3.57 million trips in 2003, a decrease of 0.46% since 2002. Total vehicle miles increased from 3.15 million miles in 2002 to 3.23 million miles in 2003. This represents an increase of 2.52%.

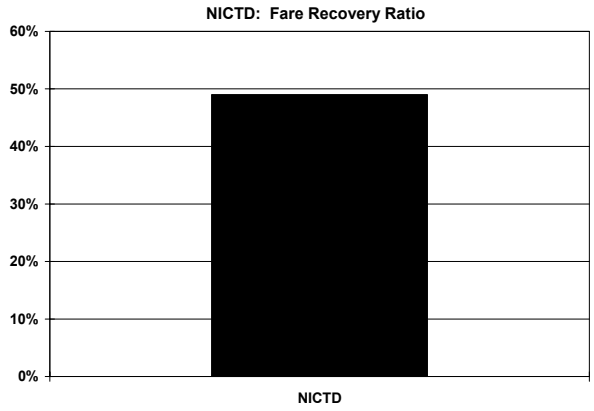
	Total Ridership			Total Vehicle Miles		
System	2003	2002	Percent Change	2003	2002	Percent Change
NICTD	3,573,571	3,590,060	-0.46%	3,233,628	3,154,243	2.52%
Total	**3,573,571**	**3,590,060**	**-0.46%**	**3,233,628**	**3,154,243**	**2.52%**

In 2003, NICTD's operating expense per passenger trip was $8.04 while the operating cost per mile was $8.89. Due to high passenger revenue and local assistance, NICTD covered $0.62 of each dollar of operating expense through local sources. Similarly, NICTD recovered 49% of its expenses through fare revenue alone.







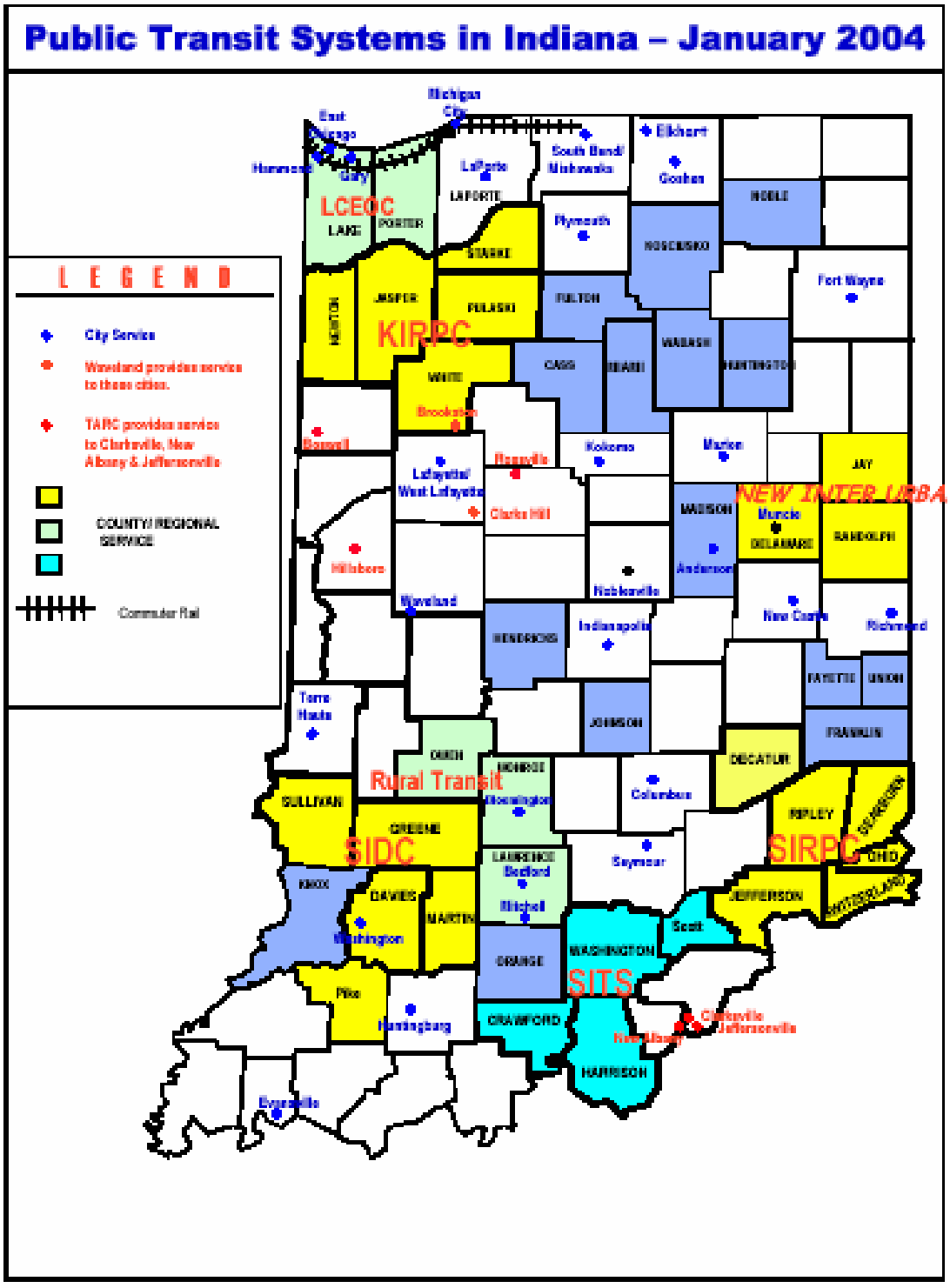


STATEWIDE STATISTICS

In 2003, Indiana maintained a public transit network of fifty-three (53) urban and rural public transit systems. The number of public transit systems remained stable in 2003 after the addition of five (5) new Section 5311 systems to the network in 2002 (Fayette, Hendricks, Delaware/Jay/Randolph, and Miami Counties, and the City of Noblesville.

These fifty-three (53) transit systems serve all or portions of sixty-four (64) of Indiana's counties. This means that public transit service is available to 4,245,406 Indiana citizens, or 69.8% of the state's total population.

Figure 4-



Ridership on Indiana's public transit systems has increased 10.75% over the last five years:

- 1999 ridership: 30,179,616
- 2000 ridership: 31,506,126
- 2001 ridership: 32,258,419
- 2002 ridership: 31,838,332
- 2003 ridership: 33,423,399

The following tow tables provide an overview of the operating and financial performance of all of Indiana's public transit systems in 2003. They summarize ridership and vehicle miles of operation for each transit system as well as a total for each peer group. Each table provides 2002 and 2003 data along with the percent change between the two years.

The ridership table also contains two additional figures: 1) the number of passenger trips per capita based on the population of the transit system's service area and 2) the proportion of the total state ridership provided by each transit system.

Table 1

RIDERSHIP BY SYSTEM				
			2003	2003
	RIDERSHIP	RIDERSHIP		RIDERSHIP	% OF STATE
SYSTEM	**2003**	**2002**	**% CHANGE**	**PER CAPITA**	**RIDERSHIP**
GROUP 1 - Large Fixed Route					
Bloomington	2,070,321	1,993,675	3.84%	29.88	6.19%
Evansville	1,588,160	1,562,278	1.66%	13.06	4.75%
Fort Wayne	1,557,321	1,438,431	8.27%	7.14	4.66%
Gary	1,289,824	1,304,092	-1.09%	12.55	3.86%
Indianapolis	11,324,573	10,247,493	10.51%	12.52	33.88%
Lafayette	3,910,057	3,578,716	9.26%	31.78	11.70%
Muncie	1,351,615	1,313,964	2.87%	20.04	4.04%
South Bend	2,554,384	2,627,101	-2.77%	16.55	7.64%
SUBTOTAL: GROUP 1	**25,646,255**	**24,065,750**	**6.57%**	**14.57**	**76.73%**
GROUP 2 - Small Fixed Route					
Anderson	211,837	258,640	-18.10%	3.55	0.63%
Columbus	168,207	170,912	-1.58%	4.31	0.50%
East Chicago	277,670	279,430	-0.63%	8.57	0.83%
Hammond	361,413	339,711	6.39%	4.10	1.08%
Marion	137,833	137,035	0.58%	4.40	0.41%
Michigan City	177,887	184,940	-3.81%	5.41	0.53%
Richmond	307,613	335,894	-8.42%	7.86	0.92%
TARC	416,845	368,431	13.14%	4.83	1.25%
Terre Haute	158,492	161,346	-1.77%	2.56	0.47%
SUBTOTAL: GROUP 2	**2,217,797**	**2,236,339**	**-0.83%**	**4.71**	**6.64%**
GROUP 3 - Urban Demand Response					
Elkhart	238,847	243,224	-1.80%	4.60	0.71%
Goshen	17,242	20,603	-16.31%	0.59	0.05%
Kokomo	104,991	97,473	7.71%	2.28	0.31%
LaPorte	50,799	56,334	-9.83%	2.35	0.15%
NWICA	155,865	147,059	5.99%	0.49	0.47%

SUBTOTAL: GROUP 3	**567,744**	**564,693**	**0.54%**	**1.21**	**1.70%**	
GROUP 4 - Rural Demand Response						
Bedford	69,781	76,500	-8.78%	5.07	0.21%	
Cass County	145,942	134,766	8.29%	3.57	0.44%	
Fayette County	19,449	16,861	15.35%	0.76	0.06%	
Franklin County	44,911	46,022	-2.41%	2.03	0.13%	
Fulton County	21,919	19,048	15.07%	1.07	0.07%	
Hendricks County	33,603	28,899	16.28%	0.32	0.10%	
Huntingburg	2,511	2,706	-7.21%	0.45	0.01%	
Huntington County	25,439	19,805	28.45%	0.67	0.08%	
Jay/Randolph/Delaware	68,491	62,090	10.31%	0.68	0.20%	
Johnson County	43,145	27,351	57.75%	0.67	0.13%	
KIRPC	153,828	164,993	-6.77%	1.44	0.46%	
Knox County	61,971	58,824	5.35%	1.58	0.19%	
Kosciusko County	74,497	81,359	-8.43%	1.01	0.22%	
Madison County	12,373	14,544	-14.93%	0.17	0.04%	
Miami County	25,319	23,679	6.93%	0.70	0.08%	
Mitchell	11,463	11,347	1.02%	2.51	0.03%	
Monroe County	164,260	159,460	3.01%	1.63	0.49%	
New Castle	38,444	32,159	19.54%	2.16	0.12%	
Noble County	14,715	11,430	28.74%	0.32	0.04%	
Noblesville	17,557	19,408	-9.54%	0.61	0.05%	
Orange County	30,450	22,202	37.15%	1.58	0.09%	
Plymouth	1,658	2,035	-18.53%	0.17	0.00%	
Seymour	26,945	27,032	-0.32%	1.49	0.08%	
SIDC	79,169	79,092	0.10%	0.82	0.24%	
SIRPC	119,522	117,404	1.80%	1.00	0.36%	
SITS	44,854	50,686	-11.51%	0.47	0.13%	
Union County	23,328	32,056	-27.23%	3.17	0.07%	
Wabash County	21,115	17,055	23.81%	0.60	0.06%	
Washington	10,325	10,255	0.68%	0.91	0.03%	
Waveland	11,048	12,422	-11.06%	1.96	0.03%	
SUBTOTAL: GROUP 4	**1,418,032**	**1,381,490**	**2.65%**	**1.03**	**4.24%**	
SUBTOTAL: GROUP 1 TO 4	**29,849,828**	**28,248,272**	**5.67%**	**7.31**	**89.31%**	
NICTD	3,573,571	3,590,060	-0.46%	21.84	10.69%	
TOTAL ALL GROUPS	**33,423,399**	**31,838,332**	**4.98%**	**7.87**	**100.00%**	

Table 2

OPERATING CHARACTERISTICS			
TOTAL VEHICLE MILES (TVM) BY SYSTEM			
SYSTEM	TVM 2003	TVM 2002	% CHANGE
GROUP 1 - Large Fixed Route			
Bloomington	1,053,999	1,010,652	4.29%
Evansville	1,418,046	1,396,805	1.52%
Fort Wayne	1,709,064	1,687,641	1.27%
Gary	1,085,395	1,158,607	-6.32%
Indianapolis	11,047,044	10,386,718	6.36%
Lafayette	1,605,140	1,519,857	5.61%
Muncie	1,255,501	1,233,142	1.81%
South Bend	1,924,147	1,831,001	5.09%
SUBTOTAL: GROUP 1	**21,098,336**	**20,224,423**	**4.32%**
GROUP 2 - Small Fixed Route			
Anderson	501,287	491,140	2.07%
Columbus	281,929	265,510	6.18%
East Chicago	249,301	256,816	-2.93%
Hammond	522,628	481,862	8.46%
Marion	195,923	193,534	1.23%
Michigan City	254,689	256,579	-0.74%
Richmond	381,140	395,631	-3.66%
TARC	612,374	548,792	11.59%
Terre Haute	286,421	293,430	-2.39%
SUBTOTAL: GROUP 2	**3,285,692**	**3,183,294**	**3.22%**
GROUP 3 - Urban Demand Response			
Elkhart	1,105,619	1,053,320	4.97%
Goshen	94,945	106,017	-10.44%
Kokomo	420,841	465,617	-9.62%
LaPorte	140,932	143,331	-1.67%
NWICA	1,046,876	705,925	48.30%
SUBTOTAL: GROUP 3	**2,809,213**	**2,474,210**	**13.54%**
GROUP 4 - Rural Demand Response			
Bedford	75,572	80,710	-6.37%
Cass County	546,459	454,324	20.28%
Fayette County	119,180	108,636	9.71%
Franklin County	362,624	356,233	1.79%
Fulton County	126,016	103,872	21.32%
Hendricks County	157,273	139,822	12.48%
Huntingburg	6,151	7,192	-14.47%
Huntington County	156,483	128,626	21.66%
Jay/Randolph/Delaware	468,859	444,849	5.40%
Johnson County	412,642	328,105	25.77%
KIRPC	708,338	720,160	-1.64%
Knox County	191,208	169,171	13.03%

Kosciusko County	210,026	206,623	1.65%
Madison County	147,511	174,346	-15.39%
Miami County	116,716	101,489	15.00%
Mitchell	16,193	17,052	-5.04%
Monroe County	529,397	470,944	12.41%
New Castle	55,084	41,416	33.00%
Noble County	237,729	161,385	47.31%
Noblesville	32,552	48,916	-33.45%
Orange County	366,031	289,526	26.42%
Plymouth	4,970	6,861	-27.56%
Seymour	58,251	57,295	1.67%
SIDC	948,223	852,406	11.24%
SIRPC	735,051	741,911	-0.92%
SITS	484,828	273,335	77.38%
Union County	204,847	183,062	11.90%
Wabash County	166,810	155,194	7.48%
Washington	29,634	29,789	-0.52%
Waveland	24,794	25,247	-1.79%
SUBTOTAL: GROUP 4	**7,699,452**	**6,878,497**	**11.94%**
GROUPS 1 THROUGH 4	34,892,694	32,760,424	6.51%
NICTD	3,233,628	3,154,243	2.52%
TOTAL ALL GROUPS	**38,126,322**	**35,914,667**	**6.16%**

Specialized Transit

The Specialized Transit Program (Section 5310) at INDOT is a federal grant program designed to improve mobility for the elderly and persons with disabilities. Funding provides capital assistance (vehicles and related equipment) to meet the special transportation needs of the elderly and persons with disabilities in all areas - urbanized, small urban, and rural. The program requirements include coordination among those recipients of federal and state programs and services in order to make the most efficient use of federal resources.

Eligible grantees include private non-profit corporations and pubic bodies approved by INDOT to coordinate services for elderly and disabled persons. The program matches up to 80 percent of project costs, with the remaining 20 percent provided by the local entity. The total amount of federal money spent in Indiana for this program has increased to well over one million dollars annually; and INDOT continues to receive more requests for vehicles every year than can be funded with our annual allocation.

TEA-21 Federal Funding: Extension and Reauthorization

The House and Senate passed, and the President signed into law on September 30, H.R. 5183, which extends TEA 21 for eight months, through May 31, 2005. The bill authorizes transit programs at a level equal to eight-twelfths of the $7.758 billion included the Senate Appropriations Committee-passed FY 2005 appropriations bill, and it guarantees funding at an annualized level of $7.265 billion, the level set in the draft FY 2005 budget resolution conference report. In addition, the bill includes language expressing the sense of Congress that any six year reauthorization bull should guarantee funding for the FY 2005 transit program at the authorized level of $7.758 billion. Otherwise the extension is generally “clean” in that it makes few programmatic changes and does not contain member projects.

Trends in Public Transit

■ A variety of improvements in the provision of public transit are currently on the horizon. The most promising is the use of **Intelligent Vehicle Technology (ITS).** ITS is becoming an integral part of system-wide transportation, not just transit. It is defined as electronics, communications, or information processing used singly or in combination to improve the efficiency or safety of a surface transportation system. Transit systems can increase efficiency in service by using Automated Vehicle Locator systems, a technology that electronically tracks the location of transit vehicles. And in conjunction with the road/highway system, can help reduce congestion - both peak-hour and incidental events. This kind of technology is currently being implemented in a few urban areas in Indiana, and is just beginning to discover the possibility of uses in transportation.

■ The **aging of our population** will also have an affect on the need for public transit. A natural part of aging is the impairment or loss of the ability to operate a vehicle; and as the large "baby-boomer" segment of our population grows older, their mobility needs will have an affect on the transportation system. Indiana will have to prepare to meet those needs of increased demand for elderly friendly fixed route vehicles as well as paratransit services.

■ **Welfare to Work" or "Access to Jobs"** grant programs have become important in recent years because of the recognition that transportation is a critical step in getting people to jobs. Transit systems are taking advantage of federal programs that allow a transit agency to extend their hours of service, offer special routes or other innovative services.

■ **Flexibility in funding** was offered in the Intermodal Surface Transportation Efficiency Act of 1991 and the subsequent TEA-21. Congress has allowed funds traditionally used for road construction to be used for transit. Indiana has taken advantage of the Congestion Mitigation/Air Quality Program and Surface Transportation Program by flexing millions of dollars from highway funding to transit programs.

■ **Compliance** with programs such as the Americans with Disabilities Act, the Clean Air Act and Amendments, and Drug and Alcohol Testing will continue to impact the operation and grants management of transit systems.

■ The **Inter-City Bus Program,** a requirement of the Federal Section 5311 (Rural Transit Formula) Program, is funded through 15% of the state's annual apportionment of Section 5311 Funds. The Public Transit Section has awarded an average of over $500,000 in grants per year since calendar year 2000 on intercity transportation projects.

■ **Coordination** is not a new trend in transit. It is the method used by many rural systems in the U.S. to getting started with a public transit system. Simply, it is looking at the transportation resources located in a county or region (usually social service agencies that run specialized transit programs already) and through various scenarios, coordinate those resources to provide general public transit service.

■ Plans for **Passenger Rail and Rapid Transit Corridors** are currently under development in Indiana in the Indianapolis metropolitan area, and in northwest Indiana. Northwest Indiana is studying the addition of a north/south corridor to NICTD's service in Lake County. The Indianapolis MPO is studying a region wide rapid transit system.

The Northern Indiana Commuter Rail District's (NICTD) conducted a Major Investment Study (MIS) to investigate the means of providing travel between western Lake County, Indiana and Chicago, Illinois. The MIS process included several steps: initiation; development of an initial set of alternatives; decision on a detailed set of alternatives; analysis, refinement, and evaluation of the alternatives; and selection of a preferred investment strategy. The MIS was a continuation of previous studies performed to determine viable transportation improvements to address increased travel demand between Northwest Indiana and downtown Chicago.

The study found commuter rail, commuter bus and feeder bus options as the most cost-effective transportation solutions, with light rail and bus way options determined to be too costly and inefficient to merit further consideration. The study also found that commuter rail would carry more potential passengers than any other option, followed by commuter bus. Commuter rail would also have the greatest potential of inducing economic development along the corridor. The study recommended establishment of a commuter rail line, preservation of the CSX rail line (Old Monon) through Munster and Hammond, establishment of a local funding sources and establishment of a coordinated, region-wide commuter rail service that encompasses all commuter rail lines in Northwest Indiana.

The Regional Rapid Transit Study (RTS) known as *"Directions*" is a comprehensive study of rapid transit in the greater Indianapolis area. The $1.5 million dollar study is jointly funded by the Federal Transit Administration and the City of Indianapolis with the Indiana Department of Transportation responsible for grant administration. *Directions* is a multi-phased 18-24 month study that is a continuation of the ConNECTions (Northeast Corridor Transportation) study and will address the questions raised in that area. *Directions* will also determine a preferred system of transit corridors and technologies. Included in the study of technologies are a wide range of transit alternatives such as bus rapid transit and passenger rail.

Phase 1: Define a system of travel corridors that serve the region, and identify prospective rapid transit technologies.

Phase 2: Further define and prioritize the travel corridors and rapid transit technologies and determine potential funding sources.

Phase 3: Will analyze a full set of route options for a "starter system", the first step in implementing region-wide rapid transit.

The purpose of *Directions* is to evaluate the feasibility of a region-wide rapid transit system. If implemented, such a system could help reduce traffic congestion, improve air quality, and increase mobility options throughout the area.

Railroads

The Rail Section is in the process of procuring a consultant to update the Indiana Rail Plan. The most recent version of the plan was completed in 1995 as a part of a requirement to participate in the federal Local Rail Freight Assistance Program. The current rail plan development is being pursued due to a myriad of changes both in freight and passenger rail.

The Rail Section has been involved with a variety of rail studies recently. These studies will provide ongoing guidance for the preservation and promotion of the rail lines in Indiana for both freight usage and improved passenger rail services. In terms of passenger rail studies, the primary effort revolves around the Midwest Regional Rail Initiative, a nine-state effort looking at improving corridors from a Chicago hub to the major cities in the Midwest. This study has gone through various phases. Initially it evaluated the corridors in the Midwest to determine how best they could be developed to reach sustained economic viability. Since then, the study has been refining the initial recommendations and reviewing the financial calculations and is now beginning to move into the implementation phase in certain corridors. Before any work begins on

corridors in Indiana, INDOT has conducted a series of public outreach meetings in the Summer of 2001 to allow people to express their views.

As part of the process to identify the best routing for passenger trains through Indiana, the Rail Section is conducting several sub-area studies along the various corridors. A study to define the best routing around the southern end of Lake Michigan continues to progress. The ideal corridor will be one that eliminates most of the conflicts between freight and passenger trains in this area and also reduces at-grade crossings. Another study was recently completed that identifies the most effective corridor between Lafayette and Northwest Indiana. Another study will begin soon to evaluate two potential routes across northern Indiana on the Chicago to Cleveland corridor. More details will also need to be gathered to add the Indianapolis to Louisville segment into the plans for the Midwest Initiative.

In addition to these sub-area analyses, another study has been completed that examines the potential of other, complimentary corridors within Indiana. Examples of corridors studied include Indianapolis to Fort Wayne and Indianapolis to Evansville. The Rail Section continues to be involved with planning for improvements in the other transportation modes as well. Opportunities to connect with light rail routes and commuter rail corridors are being studied in Indianapolis, Northwest Indiana, and near Louisville and Cincinnati. Also, coordination is occurring to preserve opportunities to connect rail into airport expansion plans such as at Indianapolis and Gary.

An update of the State Rail Plan is in progress. Along with providing an overview of the passenger rail studies mentioned above, it will provide additional information that will guide the Rail Section on freight rail issues and help prioritize corridor preservation opportunities.

In June of 1998, the merger of two major Class I railroad companies (CSX and Norfolk Southern) was finalized. The merger included the acquisition of the former Conrail Railroad Company. The merger has had impacts on rail-highway intersection safety and the delivery of freight in Indiana. The updated Indiana Rail Plan will assess the impacts of the merger.

The Scope of work for the Indiana Rail Plan includes:

- Describe the Current Rail System
- Analyze the Economic Impact of Freight Railroads in Indiana
- Identify and Analyze the Impact of Rail Freight Intermodal Facilities
- Discuss and Analyze Passenger Rail Issues
- Analyze Corridor Preservation Efforts and Make Recommendations
- Identify and Recommend Appropriate Government Financial Assistance Programs
- Identify and Recommend Safety Initiatives
- Recommend Actions for the Railroad Section

The Indiana Railroad Planning Program will be guided by the issues and initiatives outlined above, as well as the development and implementation of performance measures applicable to the Railroad Section.

Inventory of Current Conditions

As of June 1, 2001, Indiana's network of mainline, secondary and branch lines contained approximately 4,800 miles of track owned by thirty-nine different railroads.

The Indiana rail system consists of five Class I railroads, three Class II railroads and thirty Class III railroads. The classifications are based on rail revenue standards established annually by the Interstate Commerce Commission. During 1993, Class I railroads were those which had operating revenue over $250 million per year, Class II railroads had operating revenue greater than $20 million per year and less than $250 million, and Class III railroads had operating revenue below $20 million per year. The five Class I railroads total 3,700 miles of mainline track in Indiana. Approximately 2,963 of these Indiana system miles are operated by the two largest railroads; CSX Transportation and Norfolk Southern. The thirty-three remaining Class II and III railroads total an additional 1,115 miles of line in Indiana. The following discussion identifies all of the railroads that currently operate in Indiana with a brief summary of their operations. Figure 4-13 identifies Indiana's current railroads by class and mileage.

Class I Railroads

The National Rail Passenger Corporation (Amtrak) represents one of two railroads providing passenger service for Indiana residents. Amtrak owns 18 miles of track in the state and utilizes trackage rights on other lines for the rest of its routes. Amtrak serves nineteen stations in the state with annual ridership averaging around 200,000 passengers. All of Indiana's Amtrak trains focus their origins and destinations on Chicago as a "gateway" to other regional and national destinations.

In addition to passenger operations, Indiana is the home of Amtrak's major locomotive and car repair facility. This facility, located on the southeast side of Indianapolis at Beech Grove, provides a significant contribution to the state and local economies through annual payroll and property tax assessments.

CSX Transportation owns 1,935 miles of track within the state. Major CSX corridors include a heavily traveled corridor across the state's northern tier, a line running south from Chicago along the western edge of the state and a corridor across the southern third of the state.

Norfolk Southern operates on 1,565 route miles of track within Indiana. This trackage is located primarily in the northern half of the state, although this railroad does have one important line that crosses the southern portion of Indiana.

Figure 4-13

2001 Indiana Railroads, Classes, and Mileage

Railroad	Mainline Mileage
Class I Railroads:	
Amtrak	18.0
CSX Transportation	1935.0
Grand Trunk – CN	81.0
Norfolk Southern Corporation	1,565.0
CP – SOO Line Railroad	94.0
Class I Subtotal	**3,693.0**
Class II Railroads:	
Chicago, South Shore & South Bend	51.56
Elgin, Joliet & Eastern	33.92
Indiana Harbor Belt	45.74
Class II Subtotal	**131.21**
Class III Railroads:	
Algers, Winslow & Western Railway Co.	16.0
A & R Line	27.0
Auburn, Indiana Port Authority	1.0
Bee Line Railroad	10.76
Central Indiana & Western Railroad Co.	9.0
Central Railroad Company of Indianapolis	45.4
Central Railroad of Indiana	81.0
C & NC Railroad	27.32
Dubois County Railroad	16.0
Fulton County Railroad	12.0
Honey Creek Railroad	13.5
Hoosier Heritage Port Authority	41.0
Indian Creek Railroad Company	5.0
Indiana & Ohio Railroad, Inc.	20.0
Indiana Northeastern Railroad	36.0
The Indiana Rail Road Company	122.0
Indiana Southern Railroad	170.0
Indiana Southwestern	25.0
J.K. Line, Inc.	16.0
Kankakee, Beaverville & Southern	61.8
Kendallville Terminal RW	1.1
Logansport & Eel River Short Line Co., Inc.	2.0
Louisville and Indiana Railroad Co.	107.0
Louisville, New Albany & Corydon Railroad	7.7
MG Rail, Inc.	8.0
Madison Railroad, Div. of City Port Authority	26.0
Maumee & Western Railroad Company	3.1
Muncie & Western Railroad Company	4.0
Pigeon River Railroad Company	9.0
Perry County Port Authority	22.0
Southern Indiana Railway, Inc.	5.45
Southwind Railroad	8.0
Toledo, Peoria & Western Railway Corp.	55.2
Wabash Central	26.0
Whitewater Valley Railroad	20.1
Winamac Southern Railroad	43.0
Yankeetown Dock Corporation	20.0
Class III Subtotal	**984.67**
Total System Mileage	**4,808.88**

Source: INDOT, Multimodal Division-Rail Section, 2001

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For

Later Insertion of Rail map

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The CP SOO Rail System owns one rail segment in the state totaling 94.0 miles. The railroad also has trackage rights over the CSX South Monon line allowing them access to the Ohio River at Jeffersonville. The SOO primarily owns track in the upper Midwest and is based in Minnesota. In 1992, it became connected in a partnership with the Canadian Pacific Railroad, thus giving it a cross-continent east-west link through southern Canada.

Grand Trunk-CN North America is the name of the former Grand Trunk Western Railroad. The railroad operates 81 miles of track through northwest Indiana traveling from Chicago through South Bend into Michigan. Because of the construction of a new tunnel near Port Huron, Michigan and Sarnia, Ontario, capable of handling double-stack rail cars, the amount of traffic on this route has steadily increased.

Class II Railroads

The Elgin, Joliet and Eastern Railroad primarily serves as a switching railroad in the greater Chicago area. It operates 34 miles of track in Northwest Indiana and serving several steel processing plants.

The Chicago South Shore and South Bend Railroad carries freight over an 51.55 mile line between South Bend, Michigan City, Gary and Chicago. The railroad previously provided passenger service as well, however in 1990 this portion of the rail service was transferred to the Northern Indiana Commuter Transportation District (NICTD).

Indiana Harbor Belt Railroad operates 46 miles of mainline track in Indiana. The railroad primarily serves as a switching carrier moving products that arrive at Chicago area locations as well as on the many railroads that converge in the area. Primary metals/scrap, coal/coke, and grain are major commodities shipped.

Class III Railroads

A & H line has 26.1 miles of track and moves grain products, railroad equipment and fertilizers. It runs three days per week from Kenneth to Logansport, and is wholly owned by Cargill, Inc.

Algers, Winslow and Western operate 16 miles of rail line in southwest Indiana primarily shipping coal. It operates between Algers, Indiana and Enos Corner, Indiana serving the Old Ben #1 and #2 coal mines.

The Port Authority of Auburn, Indiana is a municipally controlled, 1.4 mile rail line that connects the central part of the City of Auburn with the CSX rail line. After seeing very little activity in recent years, the line is now again beginning to serve a few customers in Auburn.

Bee Line Railroad, based in Williamsport, operates 10.65 miles of track. The major commodities shipped include corn and fertilizer.

Central Indiana and Western Railroad Company is based in Lapel. The railroad operates 9 miles of track between Lapel and Anderson. The commodities shipped include sand and silica for the manufacture of glass products.

The Central Railroad Company of Indianapolis is based in Kokomo and operates 45 miles of track in north central Indiana. The primary commodities shipped include grain, sand, soda ash and manufactured products.

C & NC Railroad ships auto parts and fertilizer over 27.32 miles of track through Fayette, Wayne, and Henry counties.

Central Railroad of Indiana operates the 81 miles of trackage between Shelbyville, Indiana and Cincinnati, Ohio. This line segment was formerly owned by Conrail and had been abandoned in the early 1980's.

Through combined efforts of a shippers association, Conrail, numerous short line railroads and INDOT, the line was preserved and now continues to offer the shortest route between Indianapolis and Cincinnati.

The Dubois County Railroad operates on 16 miles of track between Jasper and Dubois in southwestern Indiana. Agricultural products are the primary commodities shipped on the line. Honey Creek Railroad is a recently formed railroad that operates over two rail segments in east-central Indiana. It purchased the segments in 1993. One had previously been owned by Conrail, the other by the Indiana Hi-Rail Corporation. Grain is the primary commodity shipped on both lines.

Fulton County Railroad was incorporated in 1980, and is based in Rochester. The major commodities shipped include corn, beans and corn meal.

The Hoosier Heritage Port Authority operates 41 miles of track and is based in Noblesville. The main commodity moved is coal.

Indian Creek Railroad Company has approximately 5 miles of track located in Madison County just northeast of Anderson. Grain is currently the only commodity that they ship.

Indiana and Ohio Railroad, Inc., operates a 20 mile mainline in southeast Indiana running between Brookville and the Indiana/Ohio state line. The line also continues into Ohio and has headquarters in Cincinnati.

The Indiana Rail Road Company is based in Indianapolis and operates on a corridor traveling from near downtown Indianapolis through Bloomington and Sullivan into Illinois. They operate 122 miles of track in Indiana.

Indiana Northeastern Railroad was formed in early 1993. It owns and operates 36 miles of trackage formerly owned by the Hillsdale County Railway. The trackage is located in Steuben County in the northeast corner of Indiana. Fremont and Angola are two of the primary communities served by the railroad. Grain and manufactured products are two of the primary commodities shipped on this line.

Indiana Southern Railroad Company is a 170 mile railroad that operates between Indianapolis and Evansville. The railroad purchased its trackage from Conrail that facilitates switching and transfers for the railroads that serve central Indianapolis.

Indiana Southwestern operates 23 miles of track from Evansville through Poseyville to Cynthiana. The commodities shipped include grain, plastics and rail equipment.

J. K. Line, Incorporated is a 16-mile rail line operating between North Judson and Monterey in Starke and Pulaski Counties. The line serves as a connector branch feeding into the CSX system and serves the grain farmers in this part of the state.

The Kankakee, Beaverville and Southern Railroad is the primary railroad in Benton County, northwest of Lafayette. It operates on two separate lines that cross the county. The two lines merge in Templeton and one continues into West Lafayette. The line primarily ships grain but also transports fertilizer and lumber. KBS operates over 62 miles of track within Indiana. The company is headquartered in Iroquois, Illinois.

Kendallville Terminal railway is a 1.1 mile rail line that serves the Industrial park in Kendallville. It is one of three Indiana railroads operated by Pioneer Rail Corporation.

Logansport and Eel River Short Line Company, Incorporated is a short, 2.2 mile rail segment in Logansport. Fertilizer is the primary commodity shipped on this line.

The Louisville and Indiana Railroad began operations in early 1994 after completing its purchase of 107 miles of trackage from Conrail. The L&I operates between Indianapolis and Louisville, carrying a variety of freight commodities.

The Louisville, New Albany and Corydon Railroad is an 8 mile railroad that connects Corydon with the Norfolk Southern main line as it crosses southern Indiana. Several different commodities are shipped on the line, primarily serving businesses in Corydon. An auto parts manufacturer located on the line is expanding and will soon begin increasing its freight shipping level.

MG Rail is a fairly short railroad that operates in and around the Clarke Maritime Centre near Jeffersonville, Indiana. The railroad helps facilitate intermodal transfer, primarily of grain, from railroads in southern Indiana onto barges at the port.

The Madison Railroad, Division of City of Madison Port Authority is one of four government controlled railroads in the state. The line runs between Madison and North Vernon and connects with the CSX rail line in North Vernon. The angled embankment leading down to the Ohio River and the City of Madison is the steepest freight line incline in the western hemisphere. The Port Authority has recently been awarded grants from the state's Industrial Rail Service Fund and the Federal Railroad Administration's Local Rail Freight Assistance Program to help with track maintenance.

The Muncie and Western Railroad Company operates a very short, 3.7 mile length of track in Muncie. The primary commodity shipped is plastics to the Ball Corporation for the manufacture of packaging products.

The Perry County Port Authority d/b/a Hoosier Southern Railroad, ships pig iron, sand and clay. It is based in Tell City and operates 25 miles of track.

The Pigeon River Railroad Company is headquartered in South Milford and operates approximately 9 miles of track. The line runs east-west and connects at its eastern end with the Indiana Northeastern Railroad at Ashley-Hudson. Grain is the sole commodity shipped over this line, coming from the South Milford Grain Company. In 1991, the western 5 miles of track, west of South Milford, were abandoned because they had not carried any shipments for several years.

Southern Indiana Railway, Inc., is a short line railroad that is small in overall length but relatively large in number of carloads shipped. The railroad is only 5.5 miles long, however it annually ships over 4,700 carloads over this trackage. Bag and bulk cement is the primary commodity shipped over this rail line.

The Toledo, Peoria and Western Railway Corporation operates 55 miles of track in Indiana running between the Illinois/Indiana line and a point approximately 7 miles west of Logansport. Along the line in Remington is the Hoosier Lift site that is an intermodal transfer facility where truck trailers and containers are moved to rail for cross-country shipment.

The Wabash Central, which was incorporated in 1997, ships grain, food products and plastics. Their 26.4 miles of track run from Craigville to Van Buren.

The Whitewater Valley Railroad is primarily a tourist excursion railroad. Recently, however, it has also been shipping scrap metal and is therefore classified as a Class III freight railroad. The line runs between Connersville and Metamora in southeastern Indiana.

The Winamac Southern Railroad operates 43 miles of track that connects Winamac, Logansport, Kokomo and Bringhurst. These communities are located in north-central Indiana. The company was formed in late 1993 when it purchased its trackage from Conrail.

The Yankeetown Dock Corporation is not a common carrier railroad because it is located entirely on private property of a coal company in southern Indiana and serves only the coal company. It brings coal from the

company's property to a loading dock in Warrick County on the Ohio River. The rail line is approximately 20 miles in length.

Railroad Abandonments

Indiana has lost nearly 2,000 miles of rail line since 1968. From a total of 6,594 miles in 1968, the state now has 4,808 miles of mainline track. Peak years of mileage loss were 1982 and 1976 when 327 and 312 miles of track were lost, respectively. Over 200 miles of track were also lost in 1973 and 1979. Since 1982, the rate of rail loss has slowed down noticeably. During the last five years, the average loss has been approximately 50 miles.

Railroad Industry Trends

Passenger Rail Trends

Passenger rail has been increasingly viewed as a viable alternative transportation solution to address problems of highway congestion, highway maintenance, and air pollution. As an example many points along I-465, traffic volume has increased more than 70% from 1987 to 1996. Many arterial roads have also experienced similar over burdening. According to a recent study by the Texas A & M University, Central Indiana leads the nation in increase in traffic delays over a fifteen year period (700% from 1982 to 1996). More trips and longer trips mean greater direct expenses for drivers in terms of gasoline, maintenance, depreciation and insurance. Based upon a travel time value of $11.80 per hour, 32.5 cents per mile cost of operation and the current forecasts of operation and travel patterns, the annual cost of travel in Central Indiana will rise from $4.8 billion to $8.3 billion (in 1998 dollars) between 1990 and 2020.

The need for congestion relief exists in other regions of the state as well. The Borman Expressway Major Investment Study recently sought to evaluate options of relieving congestion and air pollution concerns in northwest Indiana along I-65 and I-80/94. Among the recommendations resulting from the study was the suggestion to increase commuter and passenger rail service to the area.

Another factor influencing the potential use of passenger rail as a transportation alternative is land use considerations. The loss of open spaces and farmland has become an increasing concern. The implementation of passenger rail service on existing freight lines is a proposal that might avoid some of the negative impacts of building new highways.

For intercity passenger rail to serve as a viable transportation alternative new train technology and safety equipment will have to be utilized. Manufacturers of advanced train technology are currently producing rolling stock engines that can reach speeds of 110 miles per hour. Today's high-speed passenger trains will come equipped with a wide array of modern on-board amenities valued by business, commuter and leisure travelers. The higher speeds being proposed will also dictate the installation of advanced grade crossing, signaling and communication systems.

Freight Rail Trends

Fall-out from the recent Norfolk Southern – CSX rail merger and acquisition of Conrail has resulted in calls for a moratorium on mergers. On a national level, many shippers have accused the Surface Transportation Board of being too quick to endorse proposed mergers. Specific after-effects in Indiana included increased crossing blockages due to rail car gridlock, and slower delivery service. Many of these problems have abated in the two years since the merger. Some observers predict an eventual two-to-three railroad system nationwide, if mergers are allowed to continue at their current pace.

Class I Railroad Companies are increasing their use of 286,000 pound rail cars. The bigger cars reportedly allow advantages in economies of scale. While the infrastructure on Indiana's Class I track may be able to

accommodate the heavier cars, there is some concern about the impact on Indiana's regional (shortline) railroads. Shortline railroads provide connectivity routes between shippers and the large Class I lines. A large percent of shortline railroads were formed as spin-offs from Class I railroads. Therefore, they are likely to be those corridors that had received less maintenance attention. Deferred maintenance was evident in a 1998 survey of shortline infrastructure needs, which revealed that over 20% of shortline trackage were classified as "excepted". That assessment is the lowest track classification that the Federal Railroad Administration (FRA) will allow a company can operate on. The FRA imposes operating speed limits on this type of track because the deteriorated conditions are known to contribute to derailments. The severe speed and weight limits imposed result in lost business for the carrier. Recently, the Railroad Section targeted over 3.9 million dollars toward addressing 49% of the "excepted" track conditions. While this action brought a substantial amount of track up to the adequate status, the trend toward bigger rail cars will provide significant challenges for Indiana's regional railroads.

Recommended Planning Initiatives

It is recommended that the INDOT pursue planning initiatives that position it to meet the challenges outlined above. One framework from which to address those concerns is through the development of measurable performance measures.

Many potential data items related to the railroad industry are not readily available to the railroad section. Major railroad owners (Class I) operating in Indiana consider much information which INDOT could track as being proprietary. In addition, many facets of the railroad industry that may be measurable are not within INDOT's direct control. Rail lines owned by Class I Railroads are assumed to be in good condition, because major railroads have financial resources that exceeds those of shortline railroads.

Regional railroads have been more forthcoming with regard to sharing data with INDOT, specifically track condition information. In 1998, the railroad section surveyed the shortline railroads for information on the condition of trackage on lines they owned. The survey results indicated that approximately 20% of railroad trackage fall into the "excepted" track category. As mentioned above, this is the Federal Railroad Administration's (FRA) designation for the lowest acceptable quality of track that freight can be moved on.

The track conditions of shortline railroads is being submitted as a candidate for performance measurement because the trackage owned by shortline railroads is valuable to the state of Indiana's transportation infrastructure and overall economy. The FRA stipulates certain speed limits per track category. Railroad companies operating on "excepted" track are hampered by the slowest speed limit (below 10 mph) of all categories. This speed limit influences the effectiveness of services provided to shippers and the railroad's ability to attract new customers. A railroad that is unable to garner sufficient revenues to remain financially viable will abandon rail service. This will force shippers to take a less efficient route or more expensive mode of transport. It is therefore in the interest of the state of Indiana to closely observe the condition of its railroad infrastructure.

This element is measurable because the Railroad Section can survey the regional railroads on an annual basis. In addition, the railroad section has some tools to address the condition of trackage owned by regional railroads. The Industrial Rail Service Fund (IRSF) is a grant and loan program that may be used to purchase or rehabilitate trackage.

ASSETS	SERVICE DELIVERY	SYSTEM PERFORMANCE
Rail Infrastructure	Track Miles	% of Indiana track in Class I or above

The second transportation element that is submitted for consideration is rail-highway intersections with the existence of minimum warning devices. Currently there are approximately 3,550 rail-highway intersections

that are only equipped with crossbucks. The proposed performance to be measured would entail reducing that figure. The railroad section would have indirect control via its Passive Grade Crossing Improvement Program that provides funding for the installation of passive warning devices (such as illumination, pavement markings etc.).

The worthy goal of providing alternative transportation modes to the citizens of Indiana might also be submitted as a performance measure. For example, the goal might be extending and or improving passenger rail service to every major metropolitan area within the state. INDOT presently has some indirect control over this proposed goal, in that it can set policies conducive to high-speed rail development.

Finally, this draft also includes the proposal that the development of intermodal freight facilities where trucks could unload freight onto rail. The use of rail as an alternative shipper of goods would result in the reduction of trucks on Indiana roads and corresponding highway maintenance costs savings.

Figure 4-14

Railroad Section Budget Considerations	
Industrial Rail Service Fund	
Grants & Loans	$4,355,990
Passive Grade Crossing Improvement Program	
Grants	$500,000
Procurements	
Indiana Rail Plan Update	$200,000
Crossing Inventory Update	$1,500,000
Transportation Corridor Board Master Plan	$200,000
High-Speed Rail Public Outreach Plan	$100,000
Midwest Regional Rail Initiative	
Phase 4 Work Program	$100,000
Preliminary Engineering Shelbyville to Cincinnati	Unknown
Preliminary Engineering Shelbyville to Indianapolis	Unknown

Summary

Although this plan focuses primarily on highways, mulitmodal considerations are a basic component of all corridor studies. Specifically, transit was considered in the Northeast Connections study, the Northwest Indiana study, and the I-69 corridor study in Fort Wayne. These three studies all recommended that transit improvements be made, as well as highway improvements. INDOT strives to plan for all modes of transportation simultaneously. The Intermodal Management System study looked at connections between modes, and higher priority was given to highway projects that connect differing modes of transportation. In the future, INDOT will have further cooperation with high speed rail initiatives to evaluate the impact that rail may have on the highway system. Moreover, federal highway funds may be flexed to other modes of transportation if such a need arises.